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**For Translation Purposes Only**

**For Immediate Release**

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### **Notice Concerning Property Acquisition (Conclusion of Contract)**

Japan Prime Realty Investment Corporation (JPR) today announced its decision to acquire Minami Azabu Building, as outlined below. The scheduled acquisition date is July 14, 2008.

#### Details

#### **1. Reason for Acquisition**

JPR is acquiring a new office building in Tokyo CBDs in accordance with its fundamental asset management and investment policy to enhance and stabilize its investment portfolio.

#### **2. Acquisition Details**

- |                        |  |
|------------------------|--|
| 1) Type of Acquisition | Real Estate  |
| 2) Property Name       | Minami Azabu Building  |
| 3) Acquisition Price   | ¥3,760 million (excluding expenses related to acquisition, consumption tax and other expenses) |
| 4) Contract Date       | July 7, 2008   |
| 5) Acquisition Date    | July 14, 2008 (planned)  |
| 6) Seller              | East3 Tokutei Mokuteki Kaisha  |
| 7) Funding             | Funding through borrowings and cash on hand  |
| 8) Payment Method      | Lump-sum payment at the time of transfer   |

### 3. Details of Property for Acquisition

Property Name		Minami Azabu Building	
Location	Registered	Land	10-14, Minami Azabu 2-chome, Minato-ku, Tokyo
		Bldg.	10-14, Minami Azabu 2-chome, Minato-ku, Tokyo
	Residential	12-3, Minami Azabu 2-chome, Minato-ku, Tokyo	
Access		Five minutes on foot from Shirokane-takanawa Station on the Tokyo Metro Namboku Line and Toei Subway Mita Line, ten minutes on foot from Azabu-Juban Station on the Tokyo Metro Namboku Line and Toei Subway Oedo Line.	
Use		Office	
Type of Ownership		Land: Ownership Building: Unit ownership (*1)	
Site Area (registered)	Land	Total site area	778.09㎡
	Bldg.	Gross floor area of the entire building	4,570.63㎡
Type of Structure (registered)		S with flat roof, 9F	
Completion Date		June, 1992	
Architecture and Design		Ataka Engineering Co., Ltd.	
Construction		Araigumi Co., Ltd.	
Building Construction Authorization Agency		Government	
Agency to Prepare Building Situation Appraisal Report		Nikken Sekkei Construction Management, Inc.	
Building Specifications	Leasable Floor Space	408.95㎡	
	Ceiling Height	2,600mm	
	Air Conditioning System	Individual systems	
	Type of Flooring	OA floors	
Appraisal	Appraiser	Japan Real Estate Institute	
	Appraisal Value	¥3,760 million	
	Appraisal Date	June 1, 2008	
Probable Maximum Loss		7.4% (based on the earthquake risk assessment report prepared by the Shinozuka Research Institute)  PML (Probable Maximum Loss) refers to the expected maximum loss ratio caused by earthquakes. There are two types of PML: PML for respective buildings and PML for property portfolios. Although there is no precise unified definition of PML, PML refers to a percentage, not exceeding 90%, of expected damages caused if a maximum-level earthquake happens during an assumed period for the economic life of a building to the procurement cost for restoring those expected damages. The expected period for the economic life of a building is 50 years, which is the useful life of a standard building. The expected maximum-level earthquake here means an earthquake that happens once every 50 years with a 10% probability. This means that this level of earthquake statistically happens once every 475 years.	
Collateral		None	
Number of Tenants		1	
Major Tenant		Business Brain Showa-ota, Inc.	
Total Leasable Floor Space (*2)		3,405.73㎡	
Total Leased Floor Space (*2)		3,405.73㎡	
Occupancy Rate (*2)		100%	
Assumed NOI (NOI Return) (*3)		¥153 million (4.1%)	
Remarks		None	

(\*1) After acquisition, JPR will apply for registration by which all of the unit ownership and other part of the building is consolidated.

(\*2) The expected figures as of the date of the contract have been recorded. Furthermore, regarding total leasable floor space and total leased floor space, the areas of the leasing contract have been recorded.

(\*3) The assumed NOI is an estimate for the fiscal year in which the property acquisition was made and is exclusive of extraordinary factors (the assumed NOI is not for the current fiscal year under review). Further, the following premises were established:

(1) The occupancy rate is 100%.

(2) Regarding taxes and public dues, the same amount of expenditures as those of fiscal 2007 are expected.

#### 4. Aim of Property Acquisition

JPR continues to highly evaluate the superiority of Tokyo CBDs as investment targets due to the strong rental market. The property is located in the Tokyo CBD of the Azabu area, adjacent to the Roppongi district where many large-scale redevelopment projects are being conducted, and the transportation convenience of the Azabu area has also remarkably improved with the opening of the Namboku Subway Line and Oedo Line. Additionally, the property has a rounded glass curtain wall exterior which is advanced design-wise and visibly impressive. Therefore, JPR assesses the property to possess a highly competitive ability to attract tenants in the area.

Tokyo Tatemono Co., Ltd. (hereafter, the “Sponsor”), a shareholder of JPR’s asset manager, Tokyo Realty Investment, Inc. (TRIM), has made preferred investment into East3 Tokutei Mokuteki Kaisha, the seller of the Property, and has been entrusted with asset management of this Property. The sales contract for this property represents JPR’s acquisition of a property owned by East3 Tokutei Mokuteki Kaisha, which the Sponsor has made preferred investment into and whose asset management the Sponsor has been entrusted with. JPR will continue to make effective use of information provided by the Sponsor to avoid excessive competition and acquire superior properties.

#### 5. Seller Profile

Company Name	East3 Tokutei Mokuteki Kaisha
Head Office Address	1-11 Jimbocho, Kanda, Chiyoda-ku, Tokyo (within Sakura & Co. Office)
Representative	Tomoyoshi Horikawa
Capital	¥3,520 million (sum total of specified capital and preferred capital; as of June 20, 2008)
Major Shareholder	Tokyo Tatemono Co., Ltd.
Principal Activities	1. Transfer of specified assets in accordance with asset liquidation plans based on the Law Concerning Asset Liquidation, and management and disposal thereof 2. Other collateral duties associated with the above-mentioned liquidation of specified assets
Relationship with JPR and its Asset Manager	The seller is a tokutei mokuteki kaisha (special purpose company established in accordance with the Law Concerning Asset Liquidation). Tokyo Tatemono Co., Ltd. has made preferred investment into and is entrusted with asset management from the seller. Accordingly, Tokyo Tatemono Co., Ltd. has certain influence on the decisions made by the seller.  Tokyo Tatemono Co., Ltd. is a shareholder of TRIM, and falls within the scope of interested parties as defined by JPR's Board of Directors. JPR has provided its authorization to TRIM for this acquisition in advance. Interested parties differ from related parties as defined in the Enforcement Order for the Law Concerning Investment Trusts and Investment Corporations.

## 6. Profile of Previous Owners

Seller (Previous Owner)	Owners before Previous Owner
<p>1) Name East3 Tokutei Mokuteki Kaisha (*1)</p> <p>2) Relationship with JPR and its Asset Management Company East3 Tokutei Mokuteki Kaisha is a tokutei mokuteki kaisha (special purpose company established in accordance with the Law Concerning Asset Liquidation). Tokyo Tatemono Co., Ltd., a shareholder of JPR's asset management company, has made preferred investment into and is entrusted with asset management from East3 Tokutei Mokuteki Kaisha. Accordingly, Tokyo Tatemono Co., Ltd. has certain influence on the decisions made by the previous owner.</p> <p>3) Acquisition Background, Reason, etc. The property has been acquired for investment purposes.</p> <p>4) Acquisition Price (including acquisition expenses) The acquisition price has been reduced as a result of the property being owned for more than one year.</p> <p>5) Acquisition Date September 2006</p>	<p>Parties with which no special interest relationship exists</p>

(\*1) For details of East3 Tokutei Mokuteki Kaisha, please refer to "5. Seller Profile."

## 7. Sales Agent Profile

1) Sales Agent: Tokyo Tatemono Co., Ltd.  
Tokyo Tatemono Co., Ltd. falls within the scope of "interested parties" as defined in the rules of JPR's Board of Directors. JPR has provided its authorization to TRIM for this transaction to act in its capacity as a sales agent.

2) Brokerage Fee  
The brokerage fee for the acquisition of this property to be paid to the abovementioned sales agent will be ¥112.8 million (excluding consumption tax, etc.).

## 8. Outlook

Regarding the operating forecast after acquisition of the asset, when operating results are announced for JPR's 13th fiscal period (the six months ending June 30, 2008), the operating forecast for JPR's 14th fiscal period (the six months ending December 31, 2008) will be included with this announcement.

### **【Attachments】**

1. Portfolio after completion of agreement
2. Appearance image of the subject property

## Attachment 1

### Portfolio after completion of agreement

Area	Type	Property Name	Location	Acquired	Acquisition Price (yen in millions) (Note1)	% of Total (Note2)
Tokyo CBDs	Office	Kanematsu Bldg.	Chuo-ku, Tokyo	Dec. 2001	16,276	5.2%
	Office	Kanematsu Bldg. Annex	Chuo-ku, Tokyo	Dec. 2001	2,874	0.9%
	Office	JPR Ningyo-cho Bldg.	Chuo-ku, Tokyo	Nov. 2001	2,100	0.7%
	Office	Shin-Kojimachi Bldg.	Chiyoda-ku, Tokyo	Nov. 2001 Nov. 2002 Nov. 2004	2,420	0.8%
	Office	JPR Crest Takebashi Bldg.	Chiyoda-ku, Tokyo	Jun. 2002	4,000	1.3%
	Office	MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 2003	11,200	3.6%
	Office	Gotanda First Bldg.	Shinagawa-ku, Tokyo	Jul. 2003	2,920	0.9%
	Office	Fukuoka Bldg.	Chuo-ku, Tokyo	Oct. 2003 Apr. 2005	2,920	0.9%
	Office	JPR Ichigaya Bldg.	Chiyoda-ku, Tokyo	May 2004	5,100	1.6%
	Office	Oval Court Ohsaki Mark West	Shinagawa-ku, Tokyo	Jun. 2004	3,500	1.1%
	Office	Shinjuku Square Tower	Shinjuku-ku, Tokyo	Jul. 2004	10,000	3.2%
	Office	BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Nov. 2004 Apr. 2005	11,821	3.8%
	Office	Across Shinkawa Bldg. Annex	Chuo-ku, Tokyo	Nov. 2004	710	0.2%
	Office	Shinjuku Center Bldg.	Shinagawa-ku, Tokyo	Mar. 2008	21,000	6.8%
	<b>Office</b>	<b>Minami Azabu Bldg.</b>	<b>Minato-ku, Tokyo</b>	<b>Jul. 2008 (planned)</b>	<b>3,760</b>	<b>1.2%</b>
	Office	Shinagawa Canal Bldg. (Note3)	Minato-ku, Tokyo	Dec. 2008 (planned)	1,870	0.6%
	Office	Sendagaya Yonchome Bldg. (tentative name) (Note4)	Shibuya-ku, Tokyo	May. 2010 (planned)	15,050 (Note5)	4.8%
	Retail	JPR Shibuya Tower Records Bldg.	Shibuya-ku, Tokyo	Jun. 2003	12,000	3.9%
	Retail	JPR Daikanyama	Shibuya-ku, Tokyo	Oct. 2004	2,160	0.7%
	Retail	JPR Jingumae 432	Shibuya-ku, Tokyo	Mar. 2006	4,460	1.4%
Retail	Shinjuku Sanchoe East Bldg.	Shinjuku-ku, Tokyo	Mar. 2007 Apr. 2008	2,740	0.9%	
Retail	Yurakucho Ekimae Building (Yurakucho Itocia)	Chiyoda-ku, Tokyo	Aug. 2008 (planned)	3,400	1.1%	
<b>Subtotal</b>					<b>142,281</b>	<b>45.8%</b>
Greater Tokyo	Office	Arca East	Sumida-ku, Tokyo	Nov. 2001	5,880	1.9%
	Office	JPR Chiba Bldg.	Chiba, Chiba	Dec. 2001	2,350	0.8%
	Office	JPR Yokohama Nihon Odori Bldg.	Yokohama, Kanagawa	Nov. 2001	2,927	0.9%
	Office	Shinyokohama 2nd Center Bldg.	Yokohama, Kanagawa	Sep. 2002	920	0.3%
	Office	Kawaguchi Center Bldg.	Kawaguchi, Saitama	Feb. 2004	8,100	2.6%
	Office	JPR Ueno East Bldg.	Taito-ku, Tokyo	Mar. 2004	3,250	1.0%
	Office	Tachikawa Business Center Bldg.	Tachikawa, Tokyo	Sep. 2005 Feb. 2007	3,188	1.0%
	Office	Rise Arena Bldg.	Toshima-ku, Tokyo	Mar. 2007	5,831	1.9%
	Office	Yume-ooka Office Tower	Yokohama, Kanagawa	Jul. 2007	6,510	2.1%
	Retail	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 2001	10,200	3.3%
	Retail	The Cupo-la Main Bldg.	Kawaguchi, Saitama	Mar. 2006	2,100	0.7%
	Retail	JPR Musashikosugi Bldg.	Kawasaki, Kanagawa	Sep. 2006	7,260	2.3%
	Retail	Musashiurawa Shopping Square	Saitama, Saitama	Mar. 2007	4,335	1.4%
	Retail	Kawasaki Dice Bldg.	Kawasaki, Kanagawa	Apr. 2007	15,080	4.9%
<b>Subtotal</b>					<b>77,931</b>	<b>25.1%</b>

Area	Type	Property Name	Location	Acquired	Acquisition Price (yen in millions) (Note1)	% of Total (Note2)
Other Cities	Office	Niigata Ekinan Center Bldg.	Niigata, Niigata	Nov. 2001	2,140	0.7%
	Office	Meiji Yasuda Life Osaka Umeda Bldg.	Osaka, Osaka	Dec. 2001	8,300	2.7%
	Office	Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Nov. 2001	4,150	1.3%
	Office	JPR Hakata Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,900	0.9%
	Office	JPR Naha Bldg.	Naha, Okinawa	Nov. 2001	1,560	0.5%
	Office	North 33 Bldg.	Sapporo, Hokkaido	Jun. 2002	3,700	1.2%
	Office	Sompo Japan Sendai Bldg.	Sendai, Miyagi	Jun. 2002	3,150	1.0%
	Office	Sompo Japan Wakayama Bldg.	Wakayama, Wakayama	Jun. 2002	1,670	0.5%
	Office	Tenjin 121 Bldg.	Fukuoka, Fukuoka	Jun. 2002	2,810	0.9%
	Office	JPR Nagoya Sakae Bldg.	Nagoya, Aichi	Sep. 2003	4,550	1.5%
	Office	JPR Dojima Bldg.	Osaka, Osaka	Jan. 2004	2,140	0.7%
	Office	JPR hakata Chuo Bldg.	Fukuoka, Fukuoka	Jun. 2004	1,920	0.6%
	Office	Mitsubishi UFJ Lease & Finance Nagoya Head Office Bldg.	Nagoya, Aichi	Mar. 2005	4,137	1.3%
	Office	Meieki Nichome Kaihatsu Tokutei Mokuteki Kaisha Preferred Securities (Note6) (Note7)	Nagoya, Aichi	Nov. 2007 Apr. 2009(planned) May. 2010(planned)	1,983 (Note8)	0.6%
	Retail	JPR Umeda Loft Bldg.	Osaka, Osaka	May 2003 Jul. 2003	13,000	4.2%
	Retail	Strasse Ichibancho	Sendai, Miyagi	Feb. 2005	4,200	1.4%
	Retail	Benetton Shinsaibashi Bldg.	Osaka, Osaka	May 2005	5,430	1.7%
	Retail	Housing Design Center Kobe	Kobe, Hyogo	Sep. 2005	7,220	2.3%
	Retail	JPR Chayamachi Bldg.	Osaka, Osaka	Aug. 2006	6,000	1.9%
	Retail	KM Fukugo Bldg. (tentative name) (Note9)	Osaka, Osaka	Mar. 2009 (planned)	9,250	3.0%
<b>Subtotal</b>					<b>90,210</b>	<b>29.1%</b>
<b>Total</b>					<b>310,422</b>	<b>100.0%</b>

**Attachment 2**

Appearance image of the subject property

