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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 Shinjuku Square Tower, as outlined below. The scheduled acquisition date is September 26, 2008.

Details

1. Reason of Acquisition

The acquisition of the Shinjuku Square Tower is in accordance with JPR's fundamental investment policies to acquire new office buildings in Tokyo Central Business Districts in an effort to enhance and stabilize its investment portfolio.

2. Acquisition Details

- 1) Type of Acquisition: Real Estate
- 2) Property Name: Shinjuku Square Tower
- 3) Acquisition Price: ¥180 million (excluding expenses related to acquisition, consumption tax and other expenses)
- 4) Contract Date: September 25, 2008
- 5) Acquisition Date: September 26, 2008 (planned)
- 6) Seller: Individual
- 7) Funding: Cash on hand
- 8) Payment Method: Lump-sum payment at the time of transfer

3. Details of Property for Acquisition

Details of Property for Acquisition

Property Name		Shinjuku Square Tower		
Location	Registered	Land	6-21-1, 6-12-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo	
	Residential	Bldg.	6-21-1-2, Nishi-Shinjuku, Shinjuku-ku, Tokyo	
Access		Six minutes on foot from Nishi-Shinjuku Gochome Station on the Toei Subway Oedo Line and Nishi-Shinjuku Station on the Tokyo Metro Marunouchi Line		
Use		Office		
Type of Ownership		<p>Land: Ownership (co-ownership ratio: 1.12034% of 40.17839%)</p> <ul style="list-style-type: none"> Two parcels of unit ownership to be acquired are subject to pledge. Accordingly, this section is in common ownership with other unit owners. <p>Building: Co-ownership of unit ownership (acquiring portion: floor 2 - 17 of commercial tower)</p> <ul style="list-style-type: none"> Acquiring portion accounts for 1.12034% of 52.53925% of the commercial tower. 		
Site Area (registered)		Land	Total site area (registered)	8,409.52㎡
			Total co-ownership equity area to be acquired by JPR	37.85㎡
		Building	Gross floor area of the entire building	78,796.00㎡
			Floor area to be acquired by JPR	165.28㎡
Type of Structure (registered)		S, RC, SRC B4/30F		
Completion Date (registered)		October 31, 1994		
Architecture and Design		K.K. Shintoshii Kaihatsu Kikou, INA (Institute of New Architecture) Inc.		
Construction		Fujita Corporation		
Building Construction Authorization Agency		Government		
Agency to Prepare Building Situation Appraisal Report		Shimizu Corporation		
Building Specifications	Leasable Floor Space	955.66㎡		
	Ceiling Height	2,600mm (including OA floors)		
	Air Conditioning System	Area heating and cooling air-conditioning system		
	Type of Flooring	OA floor (50mm)		
Appraisal	Appraiser	Land Coordinating Research Inc.		
	Appraisal Value	¥180 million		
	Appraisal Date	September 1, 2008		
Probable Maximum Loss		<p>2.01% (based on the earthquake risk assessment report prepared by the Sompo Japan Risk Management, Inc.)</p> <p>Earthquake PML (Probable Maximum Loss) 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 standard building is 50 years. 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 (annual exceedance probability: 0.211%).</p>		
Collateral		Currently, mortgage is set for the portion to be acquired, but will be terminated at the time of transfer to JPR.		
Number of Tenants (*1)		1		
Major Tenant (*1)		Shinjuku Square Tower Management Co., Ltd.		
Total Leasable Floor Space (*2)		27,659.37㎡ (total of commercial building)		
Total Leased Floor Space (*2)		26,703.71㎡ (total of commercial building)		
Occupancy Rate (*2)		96.5% (occupancy rate of end tenants; as of August 31)		
Assumed NOI (NOI Return) (*3)		Portion to be acquired: ¥8.0 million (4.5%)		

(*1) The portion to be acquired by JPR will first be leased to Shinjuku Square Tower Management Co., Ltd., which will sublease it to end tenants.

Please refer to below "5. Property Lease Condition Details (2) Details of Tenant" for actual total leased area.

(*2) The figures as of the contract date is indicated. Total leasable floor space and total leased floor space on the contract is indicated at below "5. Property Lease Condition Details."

(*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 97.0%.

(2) Regarding taxes and public dues, the same amount of expenditures as those of fiscal 2008 are expected.

4. Aim of Property Acquisition

The Shinjuku Square Tower is a part of the statutory priority redevelopment project “I Town – 6-3 Nishi-Shinjuku.” The project comprises commercial and residential towers, DHC and other facilities. Construction was completed in October 1994. The commercial tower, known as Shinjuku Square Tower, is a 30-storey large-scale intelligent building in which each floor offers a floor space of 290 *tsubo*.

JPR already owns floors 19 to 29 of the Shinjuku Square Tower. JPR will acquire the unit ownerships that are owned by individuals on floors 2 to 17 (the co-ownership group of Shinjuku Square Tower is formed from the co-owners of the unit ownership of the property).

JPR highly evaluates the superiority of the property as an investment target being located east of an office district centering on high-rise buildings in Nishi Shinjuku and given the fact that the leasing market is steady.

Even though the share of unit ownership to be acquired this time is small, since a preferential transfer can be achieved through the co-ownership agreement, JPR will conduct this acquisition with consideration of future additional acquisitions.

5. Property Lease Condition Details

(1) Property Lease Agreement Details

A memorandum of agreement has been executed among unit owners of the property and the management company to collectively manage the property with the aim of securing stable income and to improve property value. Subject to the memorandum of agreement, all income and expenses related to the lease and management of the property are distributed among unit owners on a pro rata basis in accordance with the percentage of ownership.

In accordance with the memorandum of agreement, the property is subject to a 20-year lease agreement with Shinjuku Square Tower Management Co., Ltd., which commenced on November 1, 1994 and is scheduled to expire on October 31, 2014. Under the lease agreement, unit owners will receive rental income equivalent to the rental income received by Shinjuku Square Tower Management Co., Ltd. from the sub-lessees, less a fixed amount. While, in general, security deposits paid by each sub-lessee and received by Shinjuku Square Tower Management Co., Ltd. are transferred to the unit owner of the relevant property, JPR will not receive security deposits applicable to those areas it plans to acquire. JPR will however receive any investment income which accrues on the security deposit on an annual basis.

(2) Details of Tenant

The Shinjuku Square Tower has a single tenant, Shinjuku Square Tower Management Co., Ltd.

JPR, together with other unit owners, however, lease their exclusive areas of ownership to Shinjuku Square Tower Management Co., Ltd., which subleases the total area to other parties. Brief details of sub-lessees as of August 31 are as follows:

Company Name	Shinjuku Square Tower Management Co., Ltd.
Total Leasable Floor Space	27,659.37 m ² (indicating total leasable floor space of the entire building)
Total leased Floor Space	26,703.71 m ² (indicating total leased floor space to the end tenants of the entire building)
Total Number of End Tenants	22
Contract Period	November 1, 1994 - October 31, 2014
Contract Renewal Method	Automatic renewal by every 5 years after the contract period
Relationship with JPR and its Asset Manager	Tokyo Square Tower Management Co., Ltd. is a subsidiary of Tokyo Tatemono Co., Ltd., a shareholder of JPR's asset management company, Tokyo Realty Investment Management, Inc. (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. Details of Seller

Details of seller will not be disclosed since it is an acquisition from an individual. Furthermore, no special interest relationship exists between the seller and JPR.

7. Profile of Previous Owner

Profile of previous owner is omitted since it is an acquisition from an individual.

8. Sales Agent Profile

There is no sales agent.

9. Outlook

Operating forecasts for JPR's 14th fiscal period (six months ending December 31, 2008) remain unchanged.

[Attachments]

1. Real estate portfolio after property acquisition
2. Photograph of the Shinjuku Square Tower
3. Plan of property facilities and ownership details

Attachment 1

Real estate portfolio after property acquisition

As of September 26, 2008

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 Sep. 2008 (planned)	10,180	3.3%
	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%
	Office	Minami Azabu Bldg.	Minato-ku, Tokyo	Jul. 2008	3,760	1.2%
	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 Sanchome East Bldg.	Shinjuku-ku, Tokyo	Mar. 2007 Apr. 2008	2,740	0.9%	
Retail	Yurakucho Ekimae Building (Yurakucho Itocia)	Chiyoda-ku, Tokyo	Aug. 2008	3,400	1.1%	
Subtotal					142,461	45.9%
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%
Subtotal					77,931	25.1%

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%
Subtotal					90,210	29.0%
Total					310,602	100.0%

(Note 1) The “Acquisition Price” is the amount identified in the purchase agreement and does not include acquisition costs and consumption tax.

(Note 2) Percentages are rounded to the first decimal point.

(Note 3) JPR changed the name of the building from the Konan Nichome Building (tentative name) to Shinagawa Canal Building on March 19 2008 and concluded a contract to purchase this Building on October 24, 2007. However, the acquisition date is scheduled to be in December 2008.

(Note 4) JPR concluded a contract to purchase Sendagaya Yonchome Building on June 30, 2008. However, the acquisition date is scheduled to be in May 2010.

(Note 5) The acquisition price is subject to revision at the maximum of 16,500 million yen based on a predetermined formula in the event profitability improves as a result of efforts by the seller to attract tenants, etc.

(Note 6) Meieki Nichome Kaihatsu Special Purpose Company is a Tokutei Mokuteki Kaisha based on the Law Concerning Asset Securitization. As of April 2010, JPR will acquire 40.0% of the issued preferred securities of the TMK.

(Note 7) Regarding Meieki Nichome Kaihatsu Special Purpose Company preferred securities, an agreement on the transfer of preferred securities was concluded as of November 9, 2007. The acquisition of the preferred securities will be conducted on November 9, 2007 (acquired), May 2009 (planned) and April 2010 (planned).

(Note 8) Among the three acquisitions indicated in (Note 7), the acquisition price for April 2010 is not yet determined at this time. Therefore, the acquisition price for April 2010 is not included in this acquisition price.

(Note 9) JPR concluded a contract to purchase the KM Fukugo Building (tentative name) on March 30, 2007. However,

the acquisition date is scheduled to be in March 2009.

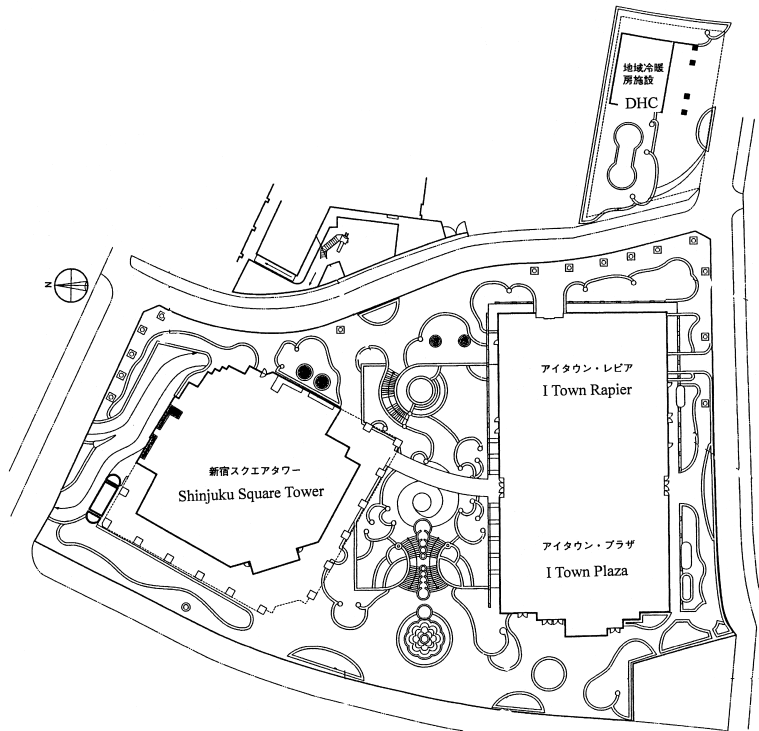
Attachment 2

Photograph of the Shinjuku Square Tower

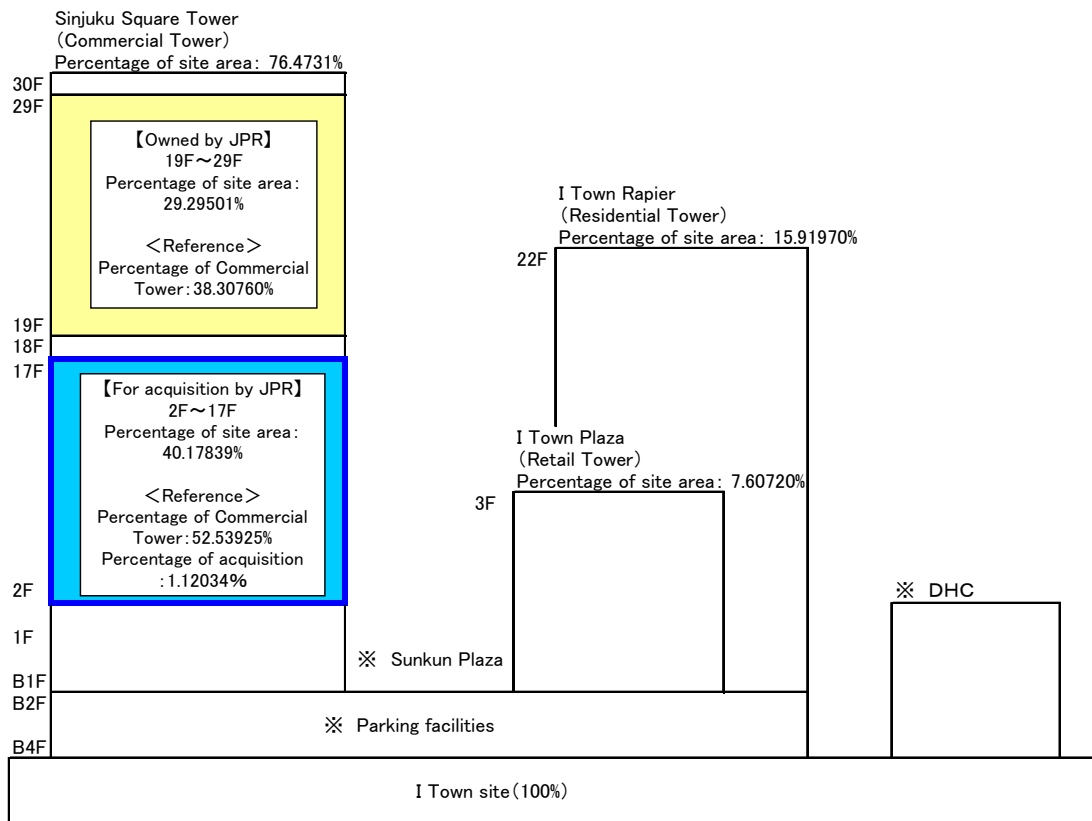


Attachment 3

【Plan of property facilities】



【Ownership details】



※ Sunkun Plaza, Parking facilities, DHC are subject to common ownership.