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For Translation Purposes Only

For Immediate Release

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Notice Concerning Property Acquisition

Japan Prime Realty Investment Corporation (JPR) today announced it has determined the acquisition date and other details and made certain amendments as follows in relation to the acquisition of Shinagawa Canal Building (*1) that it had announced in the press release “Notice Concerning Property Acquisition (Conclusion of Contract)” dated October 24, 2007.

(*1) Note that the name of the property at the time of announcement on October 24, 2007 was “Konan Nichome Building (tentative name)”, but JPR subsequently changed the name to “Shinagawa Canal Building”. For more details, please refer to the press release “Notice Concerning Property Acquisition (Decision of Property Name)” dated March 19, 2008.

Details

Details of Amendments

	Content of press release “Notice Concerning Property Acquisition (Conclusion of Contract)” dated October 24, 2007	Content after amendment
2. Acquisition Details		
6) Completion Date	July 2008 (planned)	July 31, 2008
7) Acquisition Date	December 2008 (planned)	December 19, 2008 (planned)
9) Funding	To be determined	Cash on hand

3.Details of Property for Acquisition				
Location	Registered	Building	To be determined	2-7-13, Konan, Minato-ku, Tokyo
	Residential		To be determined	2-12-33, Konan, Minato-ku, Tokyo
Completion Date			July 2008 (planned)	July 31, 2008
Agency to Prepare Building Situation Appraisal Report			None	Engineering & Risk Services Corporation (Appraisal Date: October 2008)
Appraisal	Appraiser		Japan Real Estate Institute	Japan Real Estate Institute
	Appraisal Value		¥1,890 million	¥1,880 million
	Appraisal Date		August 1, 2007	November 1, 2008
Probable Maximum Loss			11.5% based on the earthquake risk assessment report prepared by the Shinozuka Research Institute.	6.8% based on the earthquake risk assessment report prepared by Sampo Japan Risk Management, Inc.
			<p>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 the percentage of expected damages caused by a maximum-level earthquake that happened during an assumed period for the economic life of a building, to procurement cost for restoring the expected damages. The expected period for 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 10% probability. This means that this level of an earthquake statistically happens once every 475 years.</p>	<p>Earthquake PML (Probable Maximum Loss) refers to the level of expected damages caused by an earthquake of the assumed maximum size occurring during the assumed expected period of economic life of a building, expressed as a percentage (%) of the replacement price for the amount of probable loss equivalent to a probability of non-exceedance of 90%. The expected period of economic life of a building is 50 years, which is the useful life of a standard building. An earthquake of the assumed maximum size here means a major earthquake assumed to occur with a probability of exceedance of 10% in 50 years, or corresponding to a return period of 475 years (an annual probability of exceedance of 0.211%). However, the amount of probable loss is limited to direct loss on buildings (structures, finishings and construction equipment) caused by earthquake ground motion.</p>

		The amount does not cover consequential losses, such as losses incurred from damages to equipment, furniture, fixtures, etc. or losses incurred from water or fire after an earthquake, compensation for victims, or operating losses due to interruption of business.
Number of Tenants	To be determined	1
Major Tenants	To be determined	Deugro (Japan) Co., Ltd.
6. Details of Appraisal Value		
Appraisal Value (Appraisal Date)	¥1,890 million (August 1, 2007)	¥1,880 million (November 1, 2008)
Capitalized Value through Direct Capitalization Method	¥1,908 million	¥1,900 million
Net Cash Flow	¥91,607 thousand	¥95,185 thousand
Cap Rate	4.8%	5.0%
Capitalized Value through Discounted Cash Flow (DCF) Method	¥1,860 million	¥1,860 million
Discount Rate	4.5%	4.6%
Terminal Cap rate	5.0%	5.1%