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For Translation Purpose Only
For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Borrowings

Japan Prime Realty Investment Corporation (JPR) today announced its decision to undertake borrowings as described below.

Details

1. Use of Funds

JPR will undertake short-term and long-term borrowings to refinance existing short-term borrowings as detailed in 3. below.

2. Details of Borrowings

1) Short-term Borrowings

Lender	Amount
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥3,000 million
Mitsubishi UFJ Trust and Banking Corporation	¥2,280 million
Total	¥5,280 million

(Note) The interest rate applicable to the borrowings and other terms and conditions will be disclosed as and when determined.

2) Long-term Borrowing

1. Lender	Development Bank of Japan Inc.	
2. Amount	¥1,020 million	
3. Interest Rate (p.a.)	1.74%	
4. Loan Type	Fixed rate of interest. No collateral. No guarantee.	
5. Drawdown Date	March 31, 2009	
6. Repayment Date	First repayment on June 27, 2009 and on 27th of December and June each year thereafter, and last repayment on June 27, 2013.	
7. Repayment Method	June 27, 2009 to December 27, 2012	Repayment of 25 million yen respectively
	June 27, 2013	820 million yen
8. Last Repayment Date	June 27, 2013	

3. Itemization of Fund Use

JPR will use the funds to repay the following borrowings.

1. Lender	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mitsubishi UFJ Trust and Banking Corporation
2. Amount	¥3,000 million	¥2,280 million
3. Interest Rate	0.79583%	0.79583%
4. Drawdown Date	July 4, 2008	July 4, 2008
5. Repayment Date	March 31, 2009	March 31, 2009

1. Lender	Shinsei Bank, Ltd.
2. Amount	¥1,020 million
3. Interest Rate	0.79583%
4. Drawdown Date	July 4, 2008
5. Repayment Date	March 31, 2009

4. Situation of Borrowings after Refinancing

1) Total Borrowings and Corporate Bonds Balance after Refinancing

(Yen in millions)

	Balance Before Refinancing	Balance After Refinancing	Change
Short-Term Borrowings	17,172	16,152	(1,020)
Current Portion of Long-Term Borrowings	—	—	—
Long-Term Borrowings	57,583	58,603	1,020
Current Portion of Corporate Bonds	17,000	17,000	—
Corporate Bonds	37,500	37,500	—
Interest-Bearing Liabilities [Long-term interest-bearing liabilities portion]	129,255 [95,083]	129,255 [96,103]	— [1,020]

(Note) Long-term interest-bearing liabilities does not include current portion of long-term borrowings and current portion of corporate bonds

2) Interest-Bearing Liabilities Ratio after Refinancing

	Before Refinancing	After Refinancing	Percentage Point Change
Interest-Bearing Liabilities Ratio	45.2%	45.2%	—
Long-Term Interest-Bearing Liabilities Ratio	73.6%	74.4%	0.8

(Note)

- The above interest-bearing liabilities ratios are calculated as a matter of convenience using the following formulas:

$$\text{Interest-bearing liabilities ratio (\%)} = \frac{\text{Interest-bearing liabilities}}{\text{Interest-bearing liabilities} + \text{Unitholders' capital}} \times 100$$
 Unitholders' capital: ¥156,725 million
 (Unitholders' capital is rounded to the nearest million)

$$\text{Long-term interest-bearing liabilities ratio (\%)} = \frac{\text{Long-term interest-bearing liabilities}}{\text{Interest-bearing liabilities}} \times 100$$
- Percentage figures are rounded to the nearest first decimal place.