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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 price, acquisition date and other details as follows in relation to the acquisition of JPR Sendagaya Building (*1) that it had announced in the press release “Notice Concerning Property Acquisition (Conclusion of Contract)” dated June 30, 2008.

(*1) Note that the name of the property at the time of announcement on June 30, 2008 was “Sendagaya Yonchome Building (tentative name),” but JPR subsequently changed the name to “JPR Sendagaya Building.” For more details, please refer to the press release “Notice Concerning Property Acquisition (Decision of Property Name)” dated March 9, 2009.

1. Determined Details

Determined details are below.

	Content of Press Release “Notice Concerning Property Acquisition (Conclusion of Contract)” dated June 30, 2008	Content After Determination
2. Acquisition Details		
(3) Acquisition Price	¥15,050 million (excluding acquisition costs, consumption tax and other expenses) In the event profitability improves as a result of efforts by the seller to attract tenants, etc. the acquisition price is subject to revision at the maximum of 16,500 million yen based on a predetermined formula.	¥15,050 million (excluding acquisition costs, consumption tax and other expenses)

(5) Acquisition Date		May 2010 (planned)	May 31, 2010 (planned)	
(7) Funding		To be determined	Proceeds from issuance of corporate bonds, debt funding and cash on hand	
3. Details of Property for Planned Acquisition				
Location	Registered	Bldg.	To be determined	23-2 and others Sendagaya 4-chome, Shibuya-ku, Tokyo
	Residential		To be determined	23-5 Sendagaya 4-chome, Shibuya-ku, Tokyo
Site Area	Bldg.	Gross floor area	8,146.53m ² (confirmation certificate indication)	7,683.19m ² (registered indication)
Completion Date		May 2009 (planned)	May 18, 2009 (registered indication)	
Agency to Prepare Building Situation Appraisal Report		None	Engineering & Risk Services Corporation (preparation date: April 2010)	
Appraisal	Appraiser		HIRO & REAS network, Inc.	HIRO & REAS network, Inc.
	Appraisal value		¥15,100 million	¥11,000 million
	Appraisal date		June 1, 2008	May 1, 2010
Probable Maximum Loss (*)		13.6% (based on the earthquake risk assessment report prepared by the Shinozuka Research Institute)	4.7% (based on the earthquake risk report issued by Sompo Japan Risk Management, Inc.)	
Total Leasable Floor Area		6,176.28m ²	6,177.74m ²	

(*) Please refer to the press release “Notice Concerning Change in PML Assessment Company” dated August 18, 2008.

2. Significance of Acquisition

JPR decided to acquire the property on June 30, 2008 in accordance with JPR’s fundamental investment policies and investment stance to acquire new office buildings in central Tokyo in an effort to enhance and stabilize its investment portfolio. Subsequently, due to the credit crunch in the global financial market, there has been great turmoil in the Japanese real estate market, and thus there is a difference between the acquisition price and appraisal value of the property. However, since the property is an office building in Tokyo CBDs and an increase in mid- to long-term rent and property value can be expected, JPR decided to acquire the property as planned. In deciding on the acquisition, JPR particularly appreciated the following points.

(1) Location

The Sendagaya area where the property is situated a convenient location in terms of transportation with access to JR Sendagaya and Yoyogi Stations, Kokuritsu-Kyogijo and Yoyogi Stations on the Toei Subway Oedo Line and Kita-sando Station on the recently opened Tokyo Metro Fukutoshin Line.

(2) Building Specifications

In view of the property being equipped with the latest fundamental facilities and having standard floor areas of over 800m², JPR evaluates the property to have advantages in terms of size and facilities over office buildings in the surrounding area.

3. Seller Profile (reference)

As indicated in the press release “Notice Concerning Property Acquisition (Conclusion of Contract)” dated June 30, 2008, the seller of the property falls within the scope of interested parties as defined in the rules of JPR’s Board of Directors. Therefore, authorization from JPR’s Board of Directors was obtained before the conclusion of the contract between JPR and the seller. In addition, regarding the change of the environment since the conclusion of the contract and the associated decrease in appraisal value as indicated in above “2. Significance of Acquisition,” the details were explained to JPR’s Board of Directors and reported that JPR will acquire the property as planned.

[Posting from Press Release “Notice Concerning Property Acquisition (Conclusion of Contract)” dated June 30, 2008]

Company Name	Sendagaya Kaihatsu Tokutei Mokuteki Kaisha
Head Office Address	1-11 Jimbo-cho, Kanda, Chiyoda-ku, Tokyo (within Sakura & Co. office)
Representative	Tomoyoshi Horikawa
Capital	¥3,227,100,000 (sum total of specified capital and preferred capital)
Major Shareholder	Tokyo Tatemono Co., Ltd.
Principal Activities	Transfer of specified assets in accordance with asset liquidation plans based on the Law Concerning Asset Liquidation, and management and disposal thereof
Relationship with JPR and its Asset Management Company	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 JPR’s asset management company, Tokyo Realty Investment Management, Inc. (TRIM), and falls within the scope of interested parties as defined in the rules of JPR’s Board of Directors. JPR’s Board of Directors has provided its authorization to TRIM for this acquisition in advance. Interested parties differ from related parties as defined in the Enforcement Order of the Law Concerning Investment Trusts and Investment Corporations.

4. Outlook

Operating forecast for JPR’s 17th fiscal period (the six months ending June 30, 2010) remain unchanged.