

December 24, 2010

For Translation Purposes Only
For Immediate Release

Japan Prime Realty Investment Corporation
Hirohito Kaneko
Executive Officer
(Securities Code: 8955)

Asset Management Company:
Tokyo Realty Investment Management, Inc.
Satoshi Okubo
President and Chief Executive Officer
Inquiries: Katsuhito Ozawa
Director and Chief Financial Officer
TEL: +81-3-3516-1591

Notice Concerning Property Acquisition (Conclusion of Contract) **“Tokyo Tatemono Yokohama Building”**

Japan Prime Realty Investment Corporation (JPR) today announced its decision to acquire the Tokyo Tatemono Yokohama Building, as outlined below. The scheduled acquisition date is December 27, 2010.

Details

1. Reason for Acquisition

The acquisition of the Tokyo Tatemono Yokohama Building is in accordance with JPR’s fundamental investment policies and investment stance to acquire new office buildings in the surrounding areas of Tokyo in an effort to enhance and stabilize its investment portfolio.

2. Acquisition Details

1) Asset Type	Real estate
2) Property Name	Tokyo Tatemono Yokohama Building
3) Acquisition Price	7,000 million yen (excluding expenses related to acquisition, consumption tax and other expenses)
4) Contract Date	December 24, 2010
5) Settlement Date	December 27, 2010 (planned)
6) Seller	Tokyo Tatemono Co., Ltd.
7) Funding	Borrowings and cash on hand
8) Payment Method	Lump-sum payment at the time of transfer

3. Details of Property for Acquisition

Property Name		Tokyo Tatemono Yokohama Building	
Location	Registered	Land	5-7, Kitasaiwai 1-chome, Nishi-ku, Yokohama-shi, Kanagawa and others
		Bldg.	5-7, Kitasaiwai 1-chome, Nishi-ku, Yokohama-shi, Kanagawa and others
	Residential	5-10, Kitasaiwai 1-chome, Nishi-ku, Yokohama-shi, Kanagawa	
Access		A four-minute walk from Yokohama Station on the JR Line, Keikyu Line, Tokyu Toyoko Line, Yokohama Municipal Subway Line and Sotetsu Main Line	
Use		Office/Retail	
Type of Ownership		Land: Ownership Building: Ownership	
Site Area (registered)	Land	Total site area	1,110.28m ²
	Bldg.	Gross floor space of entire building	8,772.51m ²
Type of Structure (registered)		SRC, B1/9F	
Completion Date		May 27, 1981	
Architecture and Design		Taisei Corporation	
Construction		Taisei Corporation	
Building Construction Authorization Agency		City of Yokohama	
Agency to Prepare Building Situation Appraisal Report		Shimizu Corporation	
Building Specifications	Leasable Floor Space	676.02m ²	(Standard Floor)
	Ceiling Height	2,550mm	(Standard Floor)
	Air Conditioning System	Central air-conditioning system by floor	
	Type of Flooring	Partial OA-compatible floor (50mm)	
Appraisal	Appraisal Method	Appraisal conducted by Japan Real Estate Institute.	
	Appraisal Value	7,010 million yen	
	Appraisal Date	December 1, 2010	
Probable Maximum Loss		9.5% (based on the earthquake risk assessment report prepared by the Sompo Japan Risk Management, Inc.) 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 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 with an annual exceeding probability of 0.21%.	
Collateral		None	
Number of Tenants		13	
Major Tenant		Nomura Facilities, Inc. and Takashimaya Co., Ltd.	
Total Rental Revenue (annual) (*1)		547 million yen	
Lease and Guarantee Deposits (*1)		819 million yen	
Total Leasable Floor Space (*2)		6,494.06 m ²	
Total Leased Floor Space (*2)		6,494.06 m ²	
Occupancy Rate (*2)		100%	
Assumed NOI (NOI Return) (*3)		414 million yen (5.9%)	
Remarks		None	

(*1) The figure for total rental revenue is an annualized amount of the sum of rents and other revenues based on lease contract as of the date of the contract. The figure for the lease and guarantee deposit is the total amount of lease and guarantee deposits based on lease contract as of the date of the contract.

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

(*3) The assumed NOI is an estimate for the 12 months in which the property acquisition was made and is exclusive of extraordinary factors (the assumed NOI is not for the current fiscal period under review), and is made under the following assumptions.

(1) The occupancy rate is 95%.

(2) Taxes and public dues have been tentatively calculated based on the taxable income of fiscal year 2010.

4. Aim of Property Acquisition

The Yokohama Station's west exit area is one of busiest areas in the surrounding areas of Yokohama Station, which boasts one of the highest number of passengers in Japan. The area is bristling with large-scale retail properties, including Takashimaya and Yokohama Bay Sheraton Hotel & Towers, and luxury hotels, among others. The Tokyo Tatemono Yokohama Building is situated most closely to the station out of all the office buildings concentrated in Kitasaiwai district. Furthermore, in comparison to those other buildings, it features excellent visibility and exposure due to the wideness of the road in front and other reasons. As a result of its great competitive advantage primarily in of the area of tenants who gather or serve visiting customers, JPR highly evaluates the property as a blue-chip building that meets the fundamental policy in the JPR Asset Management Guidelines.

5. Seller Profile

Company Name	Tokyo Tatemono Co., Ltd.	
Head Office Address	9-9, Yaesu 1-chome, Chuo-ku, Tokyo	
Representative	Makoto Hatanaka, President and Representative Director	
Capital	92,451 million yen (as of December 31, 2009)	
Principal Activities	Real estate business	
Establishment	October 1, 1896	
Total Assets	887,520 million yen (as of December 31, 2009)	
Net Assets	245,650 million yen (as of December 31, 2009)	
Major Shareholders and Ratio of Shareholding (as of December 31, 2009)	Shareholders	Ratio of Shareholding
	Japan Trustee Services Bank, Ltd. (trust account)	9.64%
	The Master Trust Bank of Japan, Ltd. (trust account)	5.18%
	Sompo Japan Insurance Inc.	2.42%
	Meiji Yasuda Life Insurance Company	2.34%
	Taisei Corporation	1.84%
Relationship with JPR and the Asset Management Company		
Capital Relationship	As of the end of June 2010, Tokyo Tatemono Co., Ltd. owns JPR's investment units equivalent to 4.09% of the investment units issued and outstanding. In addition, the concerned company owns 40% of the shares issued and outstanding of JPR's asset management company.	
Personnel Relationship	As of the end of June 2010, eight of the officers and employees of JPR's asset management company (excluding part-time directors) are those seconded from the concerned company.	
Business Relationship	JPR and/or the asset management company have conducted a transaction to acquire Tokyo Tatemono Kyobashi Building, in terms of transactions of property acquisition or property sale with the concerned company in the fiscal period ended June 2010.	
Related Party or Not	The concerned company does not fall within the definition of a related party of JPR. The concerned company is a major shareholder of the asset management company.	

Other	The concerned company is a major shareholder of JPR's asset management company, Tokyo Realty Investment Management, Inc. (TRIM), and falls within the definition of an interested party as stipulated in the rules and regulations prescribed by JPR's Board of Directors. Accordingly, JPR's Board of Directors has provided its authorization to TRIM before entering into an agreement with the concerned company. Interested parties differ from related parties as defined in the Investment Trusts and Investment Corporations Law Enforcement Order and the concerned company does not fall within the definition of a related party.
-------	--

6. Profile of Previous Owners

Previous Owner	Owners before Previous Owner
1) Company name Tokyo Tatemono Co., Ltd. 2) Relationship with JPR and Asset Management Company Major shareholder of JPR's Asset Management Company 3) Acquisition background, reason, etc. Acquired for the purpose of development and holding 4) Acquisition price (including related expenses) Omitted as the property has been owned for more than a year 5) Acquisition Date Land: August 1967 Building: May 1981 (newly constructed)	Land: Parties with which no special interest relationship exists Building: None

7. Sales Agent

No sales agent is involved in the transaction.

8. Outlook

The impact of the purchase of this property on JPR's operating forecasts for the 18th fiscal period (fiscal period ending December 2010) is expected to be minimal. As for the operating forecast for the 18th fiscal period (fiscal period ending December 2010), please refer to "Notice Concerning Revisions to Operating Forecasts for the Fiscal Period Ending December 31, 2010" announced today.

[Attachments]

- Reference 1 Real estate portfolio after the acquisition of this property
- Reference 2 Photograph of the Tokyo Tatemono Yokohama Building

Reference 1

Real estate portfolio after the acquisition of this property

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	4.8%
	Office	Kanematsu Bldg. Annex	Chuo-ku, Tokyo	Dec. 2001	2,874	0.8%
	Office	JPR Ningyo-cho Bldg.	Chuo-ku, Tokyo	Nov. 2001	2,100	0.6%
	Office	Shin-Kojimachi Bldg.	Chiyoda-ku, Tokyo	Nov. 2001 Nov. 2002 Nov. 2004	2,420	0.7%
	Office	JPR Crest Takebashi Bldg.	Chiyoda-ku, Tokyo	Jun. 2002	4,000	1.2%
	Office	MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 2003	11,200	3.3%
	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	1.5%
	Office	Oval Court Ohsaki Mark West	Shinagawa-ku, Tokyo	Jun. 2004	3,500	1.0%
	Office	Shinjuku Square Tower	Shinjuku-ku, Tokyo	Jul. 2004 Sep. 2008	10,180	3.0%
	Office	BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Nov. 2004 Apr. 2005 Jul. 2010	15,121	4.4%
	Office	Across Shinkawa Bldg. Annex	Chuo-ku, Tokyo	Nov. 2004	710	0.2%
	Office	Shinjuku Center Bldg.	Shinjuku-ku, Tokyo	Mar. 2008	21,000	6.1%
	Office	Minami Azabu Bldg.	Minato-ku, Tokyo	Jul. 2008	3,760	1.1%
	Office	Shinagawa Canal Bldg.	Minato-ku, Tokyo	Dec. 2008	1,870	0.5%
	Office	Rokubancho Bldg.	Chiyoda-ku, Tokyo	Dec. 2009	2,800	0.8%
	Office	Ryoshin Harajuku Bldg.	Shibuya-ku, Tokyo	Dec. 2009	8,400	2.5%
	Office	Tokyo Tatemono Kyobashi Bldg.	Chuo-ku, Tokyo	Feb. 2010	5,250	1.5%
	Office	TK Horidome Bldg.	Chuo-ku, Tokyo	Mar. 2010	5,100	1.5%
	Office	JPR Sendagaya Bldg.	Shibuya-ku, Tokyo	May. 2010	15,050	4.4%
	Retail	JPR Shibuya Tower Records Bldg.	Shibuya-ku, Tokyo	Jun. 2003	12,000	3.5%
	Retail	JPR Daikanyama	Shibuya-ku, Tokyo	Oct. 2004	2,160	0.6%
	Retail	JPR Jingumae 432	Shibuya-ku, Tokyo	Mar. 2006	4,275 (Note3)	1.3%
Retail	Shinjuku Sanchome East Bldg.	Shinjuku-ku, Tokyo	Mar. 2007 Apr. 2008	2,740	0.8%	
Retail	Yurakucho Ekimae Building (Yurakucho Itocia)	Chiyoda-ku, Tokyo	Aug. 2008	3,400	1.0%	
Subtotal					167,126	48.9%
Greater Tokyo	Office	Arca East	Sumida-ku, Tokyo	Nov. 2001	5,880	1.7%
	Office	JPR Chiba Bldg.	Chiba, Chiba	Dec. 2001	2,350	0.7%
	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	2.4%
	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	0.9%
	Office	Rise Arena Bldg.	Toshima-ku, Tokyo	Mar. 2007	5,831	1.7%

Area	Type	Property Name	Location	Acquired	Acquisition Price (yen in millions) (Note1)	% of Total (Note2)
Greater Tokyo	Office	Yume-ooka Office Tower	Yokohama, Kanagawa	Jul. 2007	6,510	1.9%
	Office	Olinas Tower	Sumida-ku, Tokyo	Jun. 2009	31,300	9.2%
	Office	Tokyo Tatemono Yokohama Bldg.	Yokohama, Kanagawa	Dec. 2010	7,000	2.0%
	Retail	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 2001	10,200	3.0%
	Retail	The Cupo-la Main Bldg.	Kawaguchi, Saitama	Mar. 2006	2,100	0.6%
	Retail	JPR Musashikosugi Bldg.	Kawasaki, Kanagawa	Sep. 2006	7,260	2.1%
	Retail	Musashiurawa Shopping Square	Saitama, Saitama	Mar. 2007	4,335	1.3%
	Retail	Kawasaki Dice Bldg.	Kawasaki, Kanagawa	Apr. 2007	15,080	4.4%
	Subtotal					116,231
Other Cities	Office	Niigata Ekinan Center Bldg.	Niigata, Niigata	Nov. 2001	2,140	0.6%
	Office	Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Nov. 2001	4,150	1.2%
	Office	JPR Hakata Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,900	0.8%
	Office	JPR Naha Bldg.	Naha, Okinawa	Nov. 2001	1,560	0.5%
	Office	Sompo Japan Sendai Bldg.	Sendai, Miyagi	Jun. 2002	3,150	0.9%
	Office	Sompo Japan Wakayama Bldg.	Wakayama, Wakayama	Jun. 2002	1,670	0.5%
	Office	Tenjin 121 Bldg.	Fukuoka, Fukuoka	Jun. 2002	2,810	0.8%
	Office	JPR Dojima Bldg.	Osaka, Osaka	Jan. 2004	2,140	0.6%
	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	1.2%
	Retail	JPR Umeda Loft Bldg.	Osaka, Osaka	May 2003 Jul. 2003	13,000	3.8%
	Retail	Benetton Shinsaibashi Bldg.	Osaka, Osaka	May 2005	5,430	1.6%
	Retail	Housing Design Center Kobe	Kobe, Hyogo	Sep. 2005	7,220	2.1%
	Retail	JPR Chayamachi Bldg.	Osaka, Osaka	Aug. 2006	6,000	1.8%
Subtotal					58,227	17.0%
Total					341,584	100.0%

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

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

Reference 2

Photograph of the Tokyo Tatemono Yokohama Building

