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For Translation Purposes Only

For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Property Acquisition (Conclusion of Agreement) (Olinas Tower)

Japan Prime Realty Investment Corporation (JPR) today announced its decision to acquire Olinas Tower, as outlined below. The scheduled acquisition date is on June 29, 2009.

Details

1. Reason for Acquisition

The acquisition of the Olinas Tower is in accordance with JPR's fundamental investment policies and immediate management policy as announced in the press release "Notice Concerning Series of Measures including Replacement of Assets" dated June 25, 2009 to acquire new office buildings in Tokyo Central Business Districts in an effort to enhance and stabilize its investment portfolio.

2. Acquisition Details

1) Asset Type	Real estate
2) Property Name	Olinas Tower
3) Acquisition Price	31,300 million yen (total of land and business prices; excluding expenses related to acquisition, consumption tax and other expenses)
4) Contract Date	June 25, 2009
5) Settlement Date	June 29, 2009 (planned)
6) Seller	i) Land: Tokyo Tatemono Co., Ltd. ii) Building: Kinshicho Project Tokutei Mokuteki Kaisha
7) Funding	Borrowings and cash on hands
8) Payment Method	Lump-sum payment at the time of transfer

3. Details of Property for Acquisition

Property Name		Olinas Tower	
Location	Registered	Land	2-1, Taihei 4-chome, Sumida-ku, Tokyo
		Bldg.	2-13, Taihei4-chome, Sumida-ku, Tokyo, etc.
	Residential	1-3, Taihei 4-chome, Sumida-ku, Tokyo	
Access		3-minute walk from Kinshicho Station on the Tokyo Metro Hanzomon Line 5-minute walk from Kinshicho Station on the JR Sobu Line	
Use		Office	
Type of Ownership(*1)		Land: Ownership (unit ownership) Bldg.: Unit Ownership (portion to be acquired by JPR: 1st, 5th-18th floors of the business tower)	
Site Area (registered)	Land	Total site area	27,335.29㎡
		Site area to be acquired by JPR	6,518.66㎡
	Bldg.	Gross floor space of the entire building	257,842.41㎡
		Floor space to be acquired by JPR	23,692.60㎡
Type of Structure (registered)(*2)		SRC, SC, S B2/45F (entire building)	
Completion Date		March 1, 2006	
Architecture and Design		Kume Sekkei Co., Ltd.	
Construction		Taisei Corporation	
Building Construction Authorization Agency		The Building Center of Japan	
Agency to Prepare Building Situation Appraisal Report		Shimizu Corporation	
Building Specifications	Rentable Floor Space	1757.77㎡	
	Ceiling Height	2,900mm	
	Air Conditioning System	Interior: Standard floor 5 zone + VAV system	
	Type of Flooring	OA floors (100mm)	
Appraisal	Appraiser	Japan Real Estate Institute	
	Appraisal Value	31,400 million yen	
	Appraisal Date	May 31, 2009	
Probable Maximum Loss		3.3% (based on the earthquake risk assessment report prepared by the Sompo Japan Risk Management, Inc.) 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 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.	
Collateral		None	
Number of Tenants		12	
Major Tenant		ATM Japan Ltd. Security Electronics and Communications Technology Association, SBS Holdings, Inc.	
Total Leasable Floor Space (*3)		23,987.40㎡	
Total Leased Floor Space (*3)		23,987.40㎡	
Occupancy Rate (*3)		100%	
Assumed NOI (NOI Return) (*4)		1,693 million yen (5.4%)	
Remarks		None	

- (*1) Number of floors indication of the buildings above is indication in the registration, and the real indication of the building is 1st, 4th-17th floors.
- (*2) Number of floors indication of the building is indication in the registration that includes a condominium, and Olinas Tower (an office building) is underground the first floor, ground 31 stories.
- (*3) The expected figures as of the date of the contract have been recorded. Furthermore, regarding total leasable floor space and total leased floor space, the areas of the leasing contract have been recorded.
- (*4) 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%.
 - (2) Regarding taxes and public dues, the same amount of expenditures as those of fiscal 2009 are expected. In addition, NOI interest rate (occupancy rate:100%) as of the contract day is 5.8%.

4. Aim of Property Acquisition

(1) Restructuring JPR's Portfolio

With the weakened consumer spending and slowdown of the local economy in Japan, JPR is currently pursuing replacement of its properties in local areas with those in the Tokyo area, and retail properties with office buildings. As of June 25, 2009, JPR has announced the sale of Strasse Ichibancho (retail property in local area) and Meiji Yasuda Life Osaka Umeda Bldg. (office building in local area) along with the acquisition of Olinas Tower, it will promote construction of a portfolio focusing on office buildings in the Tokyo area.

(2) Superiority of Olinas Tower

The Kinshicho district where Olinas Tower is located is pursuant to Central Tokyo being 5-kilometers east of Tokyo Central Business Districts and about 10 minutes from Tokyo Station using the JR Sobu Line (rapid service). In the district, the level of maturity as a commercial area has been enhanced due to completion of ARCA Towers with the redevelopment project of the north exit of Kinshicho Station in 1997, opening of the Subway Hanzomon Line in March 2003, and such.

Furthermore, business and retail facilities in the north exit area of Kinshicho Station are beginning to become concentrated with the completion of the Tokyo Re-design Project, a large urban development project centering on Tokyo Tatemono Co., Ltd., sponsor of JPR, at the former Seikosha factory site, since April 2006 and starting operations with Olinas.

The property is part of the business tower comprising the Olinas, a landmark of Kinshicho, and has a prime location with Kinshicho Station on the JR Line within a 5-minute walking distance and Kinshicho Station on the Tokyo Metro Hanzomon Line within a 3-minute walking distance. The property is a large office building with a standard floor area of 562 tsubos, ceiling height of 2,900mm, state-of-the-art security and air conditioning system, etc.

Recently, the office market in Japan is experiencing a downturn, but JPR considers the stability of revenues are high for the meantime with the occupancy rate of the property currently being at 100%, tenancy diversity of 12 tenants.

5. Seller Profile

(1) Land

Company Name	Tokyo Tatemono Co., Ltd.
Head Office Address	9-9, Yaesu 1-chome, Chuo-ku, Tokyo
Representative	Makoto Hatanaka
Capital	77,181 million yen (as of December 31, 2008)
Major Shareholders	Japan Trustee Services Bank, Ltd. (entrusted)
Principal Activities	Real estate business
Relationship with JPR and its Asset Management Company	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 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 Investment Trusts and Investment Corporation Laws.

(2) Building

Company Name	Kinshicho Project Tokutei Mokuteki Kaisha
Head Office Address	1-11, Jinbocho, Kanda, Chiyoda-ku, Tokyo (within Sakura & Co. Office)
Representative	Director Shigeru Sugimoto
Capital	100,010,000 yen (sum total of specified capital and preferred capital; as of August 5, 2008)
Major Shareholders	Tokyo Tatemono Co., Ltd.
Principal Activities	<ol style="list-style-type: none"> 1. Transfer of specified assets in accordance with asset liquidation plan based on the Law Concerning Asset Liquidation, and management and disposal thereof 2. Other collateral duties associated with the above-mentioned liquidation of specified assets
Relationship with JPR and its Asset Management Company	<p>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.</p> <p>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 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 Investment Trusts and Investment Corporation Laws.</p>

6. Profile of Previous Owners

(1) Land

Previous Owner	Owner before Previous Owner
1) Name Tokyo Tatemono Co., Ltd. (*1) 2) Relationship with JPR and its Asset Management Company Major shareholder of JPR's asset management company 3) Acquisition Background, Reason, etc. The property is a development property in which the previous owner participated as operator. As such, the acquisition price (and other expenses) and the acquisition date has been omitted.	Parties with no special interest relationship exists

(2) Building

Previous Owner	Owner before Previous Owner
1) Name Kinshicho Project Tokutei Mokuteki Kaisha (*1) 2) Relationship with JPR and its Asset Management Company Kinshicho Project Tokutei Mokuteki Kaisha is a tokutei mokuteki kaisha (special purpose company established in accordance with the Law Concerning Asset Liquidation). Tokyo Tatemono Co., Ltd., a shareholder of JPR's asset management company, has made preferred investment into and is entrusted with asset management from Kinshicho Project Tokutei Mokuteki Kaisha. Accordingly, Tokyo Tatemono Co., Ltd. has certain influence on the decisions made by the previous owner. 3) Acquisition Background, Reason, etc. The property is a development property in which the previous owner participated as operator. As such, the acquisition price (and other expenses) and the acquisition date has been omitted.	Parties with no special interest relationship exists

(*1) For details, please refer to "5. Seller Profile."

7. Sales Agent

There is no sales agent

8. Outlook

For the revision of operating forecasts for the fifteenth fiscal period (fiscal period ending June 30, 2009) in correlation with acquisition of the property, please refer to the press release “Notice Concerning Revisions to Operating Forecasts for the Fiscal Period Ending June 30, 2009” dated June 25, 2009.

[Attachments]

Photograph of Olinas Tower

※ About the list of portfolios after this real estate acquisition, please refer to the press release “Notice Concerning Series of Measures including Asset Replacements” dated June 25, 2009.

[Attachments]

Photograph of Olinas Tower

