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**For Translation Purposes Only****For Immediate Release**

Japan Prime Realty Investment Corporation  
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**Notice Concerning Borrowing**

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

**Details****1. Details of Borrowing**

Lender	Amount	Interest Rate	Drawdown Date	Type of Borrowing and Repayment Method	Repayment Date
Mizuho Bank, Ltd.	¥7,000 million	Base interest rate + 0.2% (Note 1) (Note 2)	October 24, 2016	Unsecured, non-guaranteed, principal repayment in full on maturity	July 5, 2017

(Note 1) The first interest payment date shall be November 5, 2016 with subsequent payment dates on the 5th of every month thereafter and on the principal repayment date (if such date is not a business day, the preceding business day).

(Note 2) Base interest rate to be applied for interest calculation period concerning each interest payment date shall be the 1-month JBA Japanese Yen TIBOR as of two business days prior to the drawdown date and each interest payment date. Please refer to the JBA TIBOR Administration's website (<http://www.jbatibor.or.jp/english/rate/>) for the JBA Japanese Yen TIBOR.

**2. Use of Funds**

JPR will undertake this borrowing to fund the redemption of investment corporation bonds of ¥7,000 million which will become due for redemption on October 25, 2016.

**3. Status of Debt after Additional Borrowing**

(Yen in millions)

	Balance before Additional Borrowing	Balance after Additional Borrowing	Change
Short-Term Loans Payable	0	7,000	7,000
Long-Term Loans Payable	134,626	134,626	-
Investment Corporation Bonds	41,500	34,500	(7,000)
Interest-Bearing Debt	176,126	176,126	-

(Note 1) Long-term loans payable and investment corporation bonds each include the current portion.

(Note 2) Balance after additional borrowing indicates the balance after the execution of short-term loans payable and redemption of investment corporation bonds.

**4. Other Matters Required for Investors to Appropriately Understand and Evaluate the Above Information**

There will be no changes made to the content of the investment risk indicated in the Securities Report filed on September 28, 2016 with respect to the risks involved in repayment, etc. of the current borrowings.

\*JPR website: <http://www.jpr-reit.com/en>