

Japan Retail Fund Investment Corporation (Tokyo Stock Exchange Company Code: 8953)

News Release – October 31, 2005

**Japan Retail Fund Investment Corporation to Acquire Kyoto Family in Kyoto,
Kyoto Prefecture**

Japan Retail Fund Investment Corporation (TSE: 8953) announced today the planned acquisition of Kyoto Family for 5.34 billion yen, targeted to close in December 2005. The property opened in November 1982 and a renovation was completed in June 2004. The property has four floors above ground and one basement floor. The first three floors of the building comprise the shopping area, and there is a parking tower adjacent to the main building. The property has a total parking capacity of approximately 700 automobiles and a total floor space of approximately 44,000 square meters. Publicly-traded Aeon is a core tenant of the property.

According to Yuichi Hiromoto, President and Chief Executive Officer of Mitsubishi Corp.-UBS Realty Inc., Asset Manager for Japan Retail Fund, “Kyoto Family in the city of Kyoto fits well into our acquisition strategy. The property is anticipated to generate an attractive income stream for our investors, and we intend to enhance value in the future through implementation of our repositioning strategy.” The property is located in a predominantly residential area in the western part of Kyoto and is near several major roads which bring in significant customer traffic. The property’s five-kilometer radius trade area has a population of approximately 690,000. Local regulations restrict the development of large-scale shops in the surrounding area by specifying that new retail properties with store areas of 1,000m² or less are to be given preference. Existing retail establishments are not affected by these regulations. It is therefore anticipated that competitive pressure from new supply in the market will be limited.

Core tenant Aeon is currently rated A- by Standard and Poor’s and Baa1 by Moody’s. Aeon is listed on the First Section of the Tokyo Stock Exchange and operates stores in the name of JUSCO throughout Japan. Tenants at the property also include approximately 70 specialty stores, such as apparel stores, fashion stores, convenience stores and restaurants. In addition to shopping areas, a cultural center and a swimming pool are located on the third floor.

Property Information Summary:

Property name	Kyoto Family
Location	1 Ikejiricho, Yamanouchi, Ukyuo-ku, Kyoto, Kyoto Prefecture
Land size	23,119.27 m ² (Leasehold land accounts for 16,053.28 m ² of the total land size)
Total floor space	Main building: 34,307.69 m ² Parking tower: 9,984.75 m ²
Building summary	Four stories above ground and one basement floor
Major tenant	JUSCO

About JRF: Japan Retail Fund Investment Corporation ("JRF") is the third listed Japanese Real Estate Investment Trust and the first J-REIT to focus exclusively on retail properties. As of the date of this release, JRF owns 32 properties containing approximately 1.4 million square meters of leasable space.

Investor Relations: For further information relating to this press release as well as the Fund and its Asset Manager, please feel free to contact Mr. Shunichi Minami (Telephone Number: 81-3-3511-1692), Senior Executive Officer at Mitsubishi Corp.-UBS Realty Inc., Asset Manager for Japan Retail Fund.