

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

News Release – November 17, 2006

**Japan Retail Fund Investment Corporation to Acquire Diamond City Leafa in Tsurumi-ku,
Osaka Prefecture**

Japan Retail Fund Investment Corporation (TSE: 8953) announced today the planned acquisition of Diamond City Leafa for 29.9 billion yen, targeted to close on November 20, 2006 following the property's completion. The acquisition of a Tokumei Kumiai ("TK") interest in a Special Purpose Company to contribute the equity funding for the property's development was announced in a press release dated March 24, 2005. The intended acquisition of the property was announced on August 8, 2006. The property consists of a four-story main building and an adjacent seven-story parking tower. The property has a parking capacity of 2,170 automobiles and a total floor space of approximately 83,500 square meters. The entire property will be master leased by Diamond City Co., Ltd. from November 20, 2006.

According to Yuichi Hiromoto, President and Chief Executive Officer of Mitsubishi Corp.-UBS Realty Inc., Asset Manager for Japan Retail Fund, "Diamond City Leafa fits well into our acquisition strategy. The property has a 15-year master lease contract and is expected to generate a stable and attractive income stream for our investors." The property is located seven kilometers from the center of Osaka and is served by several important transport routes, including a national highway and several main regional roads that bring in significant customer traffic. Moreover, because the property is located midway between two train stations which are each about 400 meters away, a good flow of customers by rail can be expected. A population of approximately 400,000 resides within three kilometers of the property and approximately one million reside within five kilometers.

The property will be anchored and master leased by Diamond City, which will sublease its space to JUSCO, a subsidiary of publicly-traded Aeon, and over 150 of specialty stores. Diamond City is a real estate company that focuses on the development and management of shopping centers. Diamond City is the property manager for ESPA Kawasaki, Abiko Shopping Plaza, Nara Family and Kyoto Family, four properties in our portfolio. Diamond City is rated BBB+ by the Japan Credit Rating Agency.

Property Information Summary:

Property name	Diamond City Leafa
Location	4-17 Tsurumi, Tsurumi-ku, Osaka
Land size	55,987.46 m ²
Total floor space	Main building: 83,530.14 m ² Parking tower: 55,008.49 m ²
Main building summary	Four floors above ground and one basement floor
Major tenant	Diamond City

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 39 properties containing approximately 1.8 million square meters of leasable space. Please refer to our website at <http://www.jrf-reit.com/english/index.html> for further details.

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: 81-3-5293-7041), Senior Executive Officer at Mitsubishi Corp.-UBS Realty Inc., Asset Manager for Japan Retail Fund.