

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

News Release – July 26, 2007

Japan Retail Fund Investment Corporation to Sell 50% of the Trust Beneficiary Rights of Hakata Riverain in Hakata City, Fukuoka Prefecture

Japan Retail Fund Investment Corporation (TSE: 8953) today announced the intended sale of 50% of the trust beneficiary rights of Hakata Riverain in Hakata City, Fukuoka Prefecture, to Toshin Development Co., Ltd, a major developer and operator of both urban and suburban shopping centers and a wholly-owned subsidiary of department store operator Takashimaya Company, Limited. The Fund expects that cooperation with Toshin Development will have a positive impact on sales and rents at Hakata Riverain. In addition, more opportunities to cooperate with Toshin Development may arise in the future.

Japan Retail Fund intends to close the sale of the trust beneficiary rights on August 1, 2007 at a price of 7.22 billion yen. Proceeds to the Fund are expected to exceed sum of the book value of the trust beneficiary rights and various costs associated with the transaction by approximately 802 million yen. The transaction is not expected to have a material impact on the Fund's operations for the period ending in August 2007.

Summary of Property Transferred:

Property name		Hakata Riverain
Trustee		The Chuo Mitsui Trust and Banking Company, Limited
Trust contract period		From September 2, 2002 to September 11, 2017
Location		3-1, Shimokawabata-cho, Hakata-ku, Fukuoka City, Fukuoka
Land	Whole Land size	15,932.95m ²
	Zoning	Commercial
	Type of ownership	Land use rights
Building	Number of stories	13 stories above ground and four basement floors
	Total floor space	Entire property including hotel, offices, etc: 151,697.94 m ² Retail space currently owned by JRF: 42.797.07 m ²
	Completion	December 1998

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 41 properties containing approximately 2.1 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.