

Japan Retail Fund Investment Corporation (Tokyo Stock Exchange Company Code: 8953) News Release
February 17, 2010

Notice Concerning the Condition for Debt Assumption of LaSalle Japan REIT Inc.

Japan Retail Fund Investment Corporation (“JRF”), scheduled to merge with LaSalle Japan REIT Inc. (hereinafter referred to as “LJR”) effective March 1, 2010, announced today that JRF has decided on the conditions for the debt to be taken over from LJR as follows:

1. Description of LJR’s debt as of February 17, 2010

	Lender	Amount Outstanding	Interest Rate	Date of borrowing	Repayment Date	Method of borrowing and repaying the principal
Short-term debt	Mizuho Corporate Bank, Ltd.	15,297 (millions of yen)	3.21273%	September 30, 2009	September 30, 2010	Secured and unguaranteed, to be repaid in a lump sum on the repayment date
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.					
	The Sumitomo Trust and Banking Co., Ltd.					
	Aozora Bank, Ltd.					
	Resona Bank, Ltd.					
	Shinsei Bank, Limited					
	The Tokyo Star Bank, Limited					
	Mitsubishi UFJ Lease & Finance Company Limited					
Fuyo General Lease Co., Ltd.						
Long-term debt (Note1)	Aozora Bank, Ltd.	8,500 (millions of yen)	0.96273%	September 21, 2007	September 21, 2010	Secured and unguaranteed, to be repaid in a lump sum on the repayment date
	Mizuho Corporate Bank, Ltd.	10,000 (millions of yen)	1.96273%	September 30, 2008	September 30, 2011	Secured and unguaranteed, to be repaid in a lump sum on the repayment date
	Resona Bank, Ltd.					
	Aozora Bank, Ltd.					
	Mitsubishi UFJ Lease & Finance Company Limited					
Sumitomo Mitsui Banking Corporation	35,110 (millions of yen)	2.64625%	November 4, 2008	November 4, 2011	Secured and unguaranteed, to be repaid in a lump sum on the repayment date [amortization according to a contract] (Note2)	

(Note1) Long-term debt due within one year is included, if the original term of the debt was more than one year

(Note2) JRF will repay 100 million yen of principal in addition to the interest payment on March, June, September, December of 2010, March, June, September of 2011. On November 4, 2011, which is the last payment date, JRF will repay the remainder of the loan

2. Description of debt which JRF schedules to take over, after merger on March 1, 2010.

	Lender	Amount Outstanding	Interest Rate	Scheduled date of borrowing	Repayment Date	Method of borrowing and repaying the principal
Short-term debt	Mizuho Corporate Bank, Ltd.	15,297 (millions of yen)	3.21273% (Note3)	March 1, 2010	September 30, 2010	Unsecured and unguaranteed, to be repaid in a lump sum on the repayment date
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.					
	The Sumitomo Trust and Banking Co., Ltd.					
	Aozora Bank, Ltd.					
	Resona Bank, Ltd.					
	Shinsei Bank, Limited					
	The Tokyo Star Bank, Limited					
	Mitsubishi UFJ Lease & Finance Company Limited					
	Fuyo General Lease Co., Ltd.					
Long-term debt (Note2)	Aozora Bank, Ltd.	8,500 (millions of yen)	0.96273% (Note3)	March 1, 2010	September 21, 2010	Unsecured and unguaranteed, to be repaid in a lump sum on the repayment date
	Mizuho Corporate Bank, Ltd.	10,000 (millions of yen)	1.96273%	March 1, 2010	September 30, 2011	Unsecured and unguaranteed, to be repaid in a lump sum on the repayment date
	Resona Bank, Ltd.					
	Aozora Bank, Ltd.					
	Mitsubishi UFJ Lease & Finance Company Limited					
Sumitomo Mitsui Banking Corporation	35,110 (millions of yen)	2.64625% (Note4)	March 1, 2010	March 4, 2015	Unsecured and unguaranteed, to be repaid in a lump sum on the repayment date [partially amortizing according to the revised contact] (Note5)	

(Note1) Changes from the previous terms have been shaded

(Note2) Long-term debt due within one year is included, if the original term of the debt was more than one year

(Note3) Applicable term is from March 1, 2010 to March 31, 2010. After this period the new rate will be announced as soon as it is determined

(Note4) Applicable term is from March 1, 2010 to November 4, 2011

(Note5) JRF will repay 100 million yen of principal in addition to the interest payment on March, June, September and December of 2010 and March, June, and September of 2011, however from December of 2011 to March of 2015, JRF will not repay principal. On March 1, 2015, which is the last payment date, JRF will repay the remainder of the loan

3. Main changes to meet Conditions for JRF to assume LJR's debt

The main changes to meet conditions for assuming the debt described in section 2 above, which JRF is scheduled to take over on March 1, 2010, are as follows:

a. Replacement of secured with unsecured

About changing the conditions of debt from secured to unsecured as the debt of JRF, we are approved from all of the lenders of LJR. And by this change, the condition for the merger, "obtaining approval from LJR on correspondence to the article of financial restriction on the contract of loan and cancelation of collateralized interests on debt contract" is met.

b. Extension of term for part of the long-term debt and reduction of interest rate

The remaining term of the debt from Sumitomo Mitsui Banking Corporation, was 1.7 years. However it will be extended to five years by this change, and the interest rate is also expected to be reduced the extended

term, from November 5, 2011 to March 1, 2015. Furthermore, "amortization according to contract" given as condition on this debt, is scheduled to be cancelled after November 5, 2011.

4. Status of interest-bearing debt after March 1, 2010 (after assumption of debt) [scheduled]

(Millions of yen)

	Before refinance	After refinance	Variation
Short-term borrowing	97,775	113,072	+15,297
Commercial Paper	0	0	0
Total short-term interest-bearing debt	97,775	113,072	+15,297
Long-term borrowing (Note 2)	70,666	124,276	+53,610
Corporate bond	80,000	80,000	0
Total long-term interest bearing debt (Note3)	50,666	204,276	+53,610
Total borrowing and corporate bonds	248,441	317,d48	+68,907

(Note1) In the table above, deposits and security money (about 74,000millions of yen) paid by leaseholders is not included

(Note2) Long-term debt due within one year is included, if the original term of the debt was more than one year

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 50 properties containing approximately 2.5 million square meters of leasable space. Please refer to our website at <http://www.jrf-reit.com/english/index.html> for further details.

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