

IIF to Sell Property in Funabashi, Chiba Prefecture

Industrial & Infrastructure Fund Investment Corporation ("IIF") announced today the planned sale of IIF Funabashi Logistics Center in Funabashi, Chiba Prefecture.

For more information on how this sale fits into our strategy of property replacement, please refer to the other news releases "Effects of Property Replacement Strategy and Future Target" of today's date. Details of this transaction are as follows.

1. Summary of Sale

1) Type of asset (scheduled to transfer)	Trust beneficiary interests in real estate
2) Property name	IIF Funabashi Logistics Center (please refer to "Section 2. Summary of property")
3) Sale price	9,020 million yen (not including sale expenses, etc.)
4) Book value	8,500 million yen (expected as of March 19, 2010)
5) Difference between sale price and book value	519million yen
6) Execution date	March 9, 2010
7) Date of transfer	March 19, 2010 (scheduled)
8) Buyer	Special purpose company, Dream Logistics Fund (please refer to article below, "Section 3. summary of the buyer")

2. Summary of Property

Name of property	IIF Funabashi Logistics Center				
Type of specific asset	Trust beneficiary interests in real estate				
Location	2-6-2, Nishiura-cho, Funabashi-shi, Chiba				
Land	Area	26,607m ²	Zoning	Area for Industrial use only	
	Type of possession	Ownership			
Building	Structure / stories	Four story alloy plated shingle-roofed and steel framed construction			
	Total floor space	42,176.24m ²	Attached building : 4.00m ²		
	Type of possession	Ownership	Construction completion	July 19, 2007	
Book Value	8,500 million yen (as of March 19, 2010)				
Selling price	9,020 million yen				
Profit on sale	519 million yen				
Appraisal value	9,670 million yen (as of December 31, 2009)				
Appraisal Firm	Japan Real Estate Institute				
Description of tenant					
Number of tenants	2				
Rent	-(*)				
Security and deposit	-(*)				
Lease area	42,336.00 m ²				
Leasable area	42,336.00 m ²				
Transition in occupancy ratio	At the end of December 2007	At the end of June 2008	At the end of December 2008	At the end of June 2009	At the end of December 2009
	100.0%	100.0%	100.0%	100.0%	100.0%
Other note	None				

(Note*) The tenants have not agreed to disclosure of annual rent and deposit

3. Profile of buyer

(1)	Name	Special purpose company Dream Logistics Fund
(2)	Location	6 th floor of Asuna Accounting, office, 1-6-3, Uchikanda, Chiyoda-ku Tokyo
(3)	Name and Job title of Representatives	Director : Mitsuhiro Nakagaki
(4)	Business	<ul style="list-style-type: none"> · Operation related to buying, managing and selling specific assets based on the Act on Securitization of Assets and operation of management and desposal · Operation related to replacement of specific assets above mentioned, etc.
(5)	Capital	100,000 yen (as of March 9, 2010)
(6)	Date of Establishment	December 4, 2009
(7)	Relationship with JRF or asset manager	
	Capital relationship	Mitsubishi Corporation, a shareholder (investment at 51%) of Mitsubishi Corp.-UBS Realty, Inc, the asset manager of IIF, is an interested party based on Act on Investment Trust and Investment Corporations (“the Act”) and has a silent partnership interest in the Dream Logistics Fund.
	Personal and trade relationship	There is no personal or trade relationship between the Investment Corporation/the Asset Management Company and Dream Logistics Fund. In addition, there is no noteworthy personal or trade relationship between affiliated companies of the Investment Corporation/the Asset Management Company and those of Dream Logistics Fund.
	Interested party	Dream Logistics Fund does not meet the condition of interested party of the Investment Corporation / the Asset Management Company. In addition, interested parties of Dream Logistics Fund do not meet the condition of an interested party of the Investment Corporation / the Asset Management Company. However, Dream Logistics Fund meets the condition of an interested party of the Investment Corporation / the Asset Management Company based on the Related Party Transaction Guidelines of the Asset Management Company.

4. Transaction with interested party

This sale of IIF Funabashi Logistics Center qualifies as a transaction with an interested party as mentioned in “Section 3. Summary of buyer”. The sale price is less than the appraisal value by an independent appraisal firm, but we have conformed with our in-house rules and regulations, confirmed by our Compliance Division, and we approved this transaction for the following reasons;

- (1) Two companies expressed their interest in acquiring the property from IIF, and we selected the buyer by evaluating their conditions of acquisition, price, etc.
- (2) IIF will record a profit on the sale
- (3) It is difficult to sell and buy at the same time as is necessary in our strategy of property replacement, and this is a good opportunity which IIF did not want to lose.

5. Broker

None

6. Payment

Full payment at the time of transfer

In the contract executed today with special purpose company Dream Logistics Fund for selling the property, preconditions for closing include that the Dream Logistics Fund is able to raise the necessary Capital. If this preconditions are not met, the contract is cancelled and IIF has no right to receive payment for damages from the buyer.

7. Schedule of sale

Execution date of contract for sale	March 9, 2010
Payment date	March 19, 2010 (scheduled)
Date for transfer of property	March 19, 2010 (scheduled)

8. Future Outlook of IIF

For the forecast of the 6th period results (January 1, 2010 - June 30, 2010), please refer to today's release "IIF Raises its Forecast for Operating Results and Distribution for the 6th Fiscal Period".

[Property Portfolio Overview after acquisition]

Asset Type	Property No.	Name of Property	Acquisition Price (million yen)	Rate of Investment (%)
Industrial Properties	L-1	IIF SHINONOME Logistics Center	13,700	14.3
	L-4	IIF NODA Logistics Center	6,500	6.8
	L-5	IIF SHINSUNA Logistics Center	5,300	5.5
	L-6	IIF ATSUGI Logistics Center	2,100	2.2
	L-7	IIF KOSHIGAYA Logistics Center	2,000	2.1
	L-8	IIF NISHINOMIYA Logistics Center	1,300	1.4
	L-9	IIF NARASHINO Logistics Center (land with leasehold interest)	1,190	1.2
Sub total			32,090	33.5
Factory and research development Property	F-1	IIF TOTSUKA Technology Center (land with leasehold interest)	4,500	4.7
Sub total			4,500	4.7
Infrastructure Properties	I-1	IIF KOBE District Heating and Cooling Center	18,100	18.9
	I-2	IIF HANEDA Airport Maintenance Center	41,110	42.9
Sub total			59,210	61.8
Total			95,800	100.0

·The prefix indicates the property category(L for logistics facilities and F for factory, research and development, I for infrastructure facilities).

·The appraised value of IIF SHINONOME Logistics Center is calculated by taking 53% (the percentage of our joint trust beneficiary interest) of the total, as described in relevant lease agreements.

About IIF: Industrial and Infrastructure Fund Investment Corporation ("IIF") is the first J-REIT focused on acquiring and operating both industrial and infrastructure properties in Japan — properties that play a vital role in the Japanese economy, and for which IIF expects to see stable demand in the mid to long term. With respect to industrial properties, IIF intends to invest in a diverse portfolio of properties, including manufacturing and research and development facilities. Please refer to our website at

<http://www.iif-reit.com/english/index.html>

Contacts: For the further information relating to this press release as well as the Fund and its Asset Manager, please feel free to contact Mr. Yoshito Nishikawa (Telephone Number: 81-3-5293-7090), Head of Industrial Division at Mitsubishi Corp.-UBS Realty, Inc., [Asset Manager for Industrial & Infrastructure Fund Investment Corporation](#).

Investor Relations: Telephone Number: 81-3-5293-7091