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Real Estate Investment Fund Issuer:
Mori Hills REIT Investment Corporation
(Securities Code: 3234)
6-10-1 Roppongi, Minato-ku, Tokyo
Tsutomu Horiuchi, Executive Director

Asset Manager:
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MHR's Asset Manager Amends Related Parties Transactions Guidelines
and Adds New Compliance Committee Member

Mori Building Investment Management Co., Ltd., to which the asset management of Mori Hills REIT Investment Corporation is consigned, resolved at their Board of Directors Meeting held today to amend its "Related Parties Transaction Guidelines", an internal guideline, and to add a member to its Compliance Committee. Details of the amendments are as follows, with the amended parts noted with an underline.

1. Details and reason of amending the "Related Parties Transaction Guidelines"
(Before amendment)

Article 7 (Acquisition of Real Estate)

In the case that a real estate, etc. is to be acquired from a "related party", the acquisition amount shall not exceed the appraisal value which was appraised by a certified and independent real estate appraiser (including incorporated appraisal firms, hereinafter "Appraiser"). However, the said acquisition amount shall mean only the cost of the real estate, etc. itself, and shall not include taxes, acquisition fees, fees for setting up trusts, reserves within the trust account, trust income, or settlements made to adjust for ownership periods for property taxes, etc. Also, in the case that the seller had acquired the said real estate, etc. with the purpose to sell it to an investment corporation, the equivalent amount of costs related to the acquisition may be added to the appraisal amount, and that total shall be the maximum amount of the acquisition. (The rest is abbreviated.)

(After amendment)

Article 7 (Acquisition of Real Estate)

In the case that a real estate, etc. is to be acquired from a "related party", the acquisition amount shall not exceed 110% of the appraisal value which was appraised by a certified and independent real estate appraiser (including incorporated appraisal firms, hereinafter "Appraiser"). However, the said acquisition amount shall mean only the cost of the real estate, etc. itself, and shall not include taxes, acquisition fees, fees for setting up trusts, reserves within the trust account, trust income, or settlements made to adjust for ownership periods for property taxes, etc. Also, in the case that the seller had acquired the said real estate, etc. with the purpose to sell it to an investment corporation, the equivalent amount of costs related to the acquisition may be added to 110% of the appraisal amount, and that total shall be the maximum amount of the acquisition. (The rest is abbreviated.)



The above amendment makes possible more flexible acquisition of properties in the current real estate market, and is intended to promote a stable expansion of asset size. Further, with this amendment, the Related Parties Transaction Guidelines within the “Business Guidelines Regarding Setting up a Special Purpose Company and Directions for Asset Dispositions to an Investment Corporation” has also been amended accordingly.

2. Addition of a Compliance Committee Member

The Compliance Committee of Mori Building Investment Management, Co., Ltd. has been comprised of the President & C.E.O., the compliance officer, 1 external expert and a part-time corporate auditor. In order to expand its function, it has decided to add the General Manager of the Internal Audit Department as a committee member.

Compliance Committee members

Current	After amendment
President and C.E.O., compliance officer, 1 external expert, and a part-time corporate auditor	President and C.E.O., compliance officer, <u>General Manager, Internal Audit Department</u> , 1 external expert, and a part-time corporate auditor

End

- This press release was distributed to: the Kabuto Club (the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure and Transport Press Club, and the Ministry of Land, Infrastructure and Transport Press Club for Construction Publications.
- MHR’s web site address: <http://www.mori-hills-reit.co.jp>

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