

For Translation Purposes Only

Real Estate Investment Fund Issuer:
Mori Hills REIT Investment Corporation
(Securities Code: 3234)
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MHR Announces Execution of Postdated Interest Rate Swap Agreement

Mori Hills REIT Investment Corporation (MHR) announced today a postdated interest rate swap agreement that has been executed as per below:

1. Purpose of Entering the Postdated Interest Rate Swap Agreement

In order to hedge the risk of fluctuation of interest rate payments by converting to a fixed rate for the three-year long-term borrowings with regards to the “comprehensive ratification concerning borrowing of funds” at the meeting of the MHR Board of Directors on November 14, 2007.

2. Details of the Postdated Interest Rate Swap Agreement

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|----------------------------|---|
| (1) Counterparty: | Goldman Sachs Japan Co., Ltd. |
| (2) Notional principal: | 8 billion yen |
| (3) Interest rate: | Fixed interest rate payable at 1.075%
Floating interest rate receivable at Japanese Bankers Association
three month Yen TIBOR |
| (4) Commencement date: | November 30, 2007 |
| (5) Termination date: | November 30, 2010 |
| (6) Interest payment date: | The first interest payment date shall be February 29, 2008.
Subsequent interest payment dates shall be the last business day
of the months of February, May, August and November of each
year. (However, if the chosen date is not a business day, the next
business day shall be the interest payment date. If this next
business day falls into the following month, the business day
immediately before shall be the interest payment date.) |

- 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 website address is <http://www.mori-hills-reit.co.jp>