

For Translation Purposes Only

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

Asset Manager:
Mori Building Investment Management Co., Ltd.
Hiroshi Mori, President
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MHR Announces Transaction with Interested Party
(Mori Building Co., Ltd.)

Mori Hills REIT Investment Corporation (MHR) announced it concluded a contract with an interested party, etc. as described below.

1. Overview of Transaction with Interested Party, etc.

MHR will renew the Memorandum on Proprietary Use concluded with Mori Building Co., Ltd. (interested party), which is a tenant (master lessee) of the property described below, concerning the master lessee's proprietary use of part of said property.

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|------------------------------------|---|
| (1) Leased property: | Second floor of Koraku Mori Building |
| (2) Leased floor area: | 365.27m ² (110.4 tsubos) |
| (3) Name of interested party: | Mori Building Co., Ltd. |
| (4) Proprietary user: | Mori Building Co., Ltd. |
| (5) Purpose of proprietary use: | Work consignment to external food supplier |
| (6) Use: | Employees' cafeteria
(support facility for office workers)
(Name: Kouraku Kizenbou) |
| (7) Contract rent (monthly): | Amount equivalent to 5% of total sales
(the same terms as before the change) |
| (8) Contract period after renewal: | From April 1, 2008 to March 31, 2010 |
| (9) Contract date: | March 31, 2008 |

(Note) The above figures have been taken from the contract. Furthermore, MHR owns the said property's trust beneficiary rights totaling 80% of the entire trust assets.

2. Overview of Interested Party, etc.

Name	Mori Building Co., Ltd.
Location of headquarters	6-10-1 Roppongi, Minato-ku, Tokyo
Representative	Minoru Mori, President and CEO
Capital	65,000 million yen
Scope of business	Real estate business
Relationship with MHR	Mori Building is a major investor in MHR.
Relationship with asset management company	Mori Building is the sole shareholder of the asset management company, and thus constitutes an interested party, etc. as defined in the Law Concerning Investment Trusts and Investment Corporations (Investment Trust Law).

3. Procedures Concerning Transaction with Related Parties

Based on its Related Parties Transaction Guidelines, the asset management company made resolutions concerning the transaction at its Compliance Committee meeting held on February 20, 2008 and the Board of Directors meeting held on February 28, 2008, after having investigated the market price, and prices of similar lease transactions in surrounding areas, etc.

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