

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.
6-10-1 Roppongi, Minato-ku, Tokyo
Hiroshi Mori, President
Inquiries: Takahiro Shimizu
General Manager, Financial Department
TEL: +81-3-6406-9300

MHR Announces Transaction with Interested Party
(Mori Building Co., Ltd.)

Mori Hills REIT Investment Corporation (MHR) announced the following transaction that is to be conducted with Mori Building Co., Ltd. which meets the definition of a transaction with an interested party, etc. as stipulated in the Law Concerning Investment Trusts and Investment Corporations.

1. Overview of Transaction with Interested Party, etc.

MHR is concluding the Memorandum on Proprietary Use and continuing to lease the following property to Mori Building Co., Ltd. under the objective of renewing the Memorandum on Proprietary Use dated March 22, 2006, which is a lease contract concluded for the purpose of proprietary use of part of the following property by the property's tenant (master lessee), Mori Building Co., Ltd. (interested party, etc.).

- | | |
|--|--|
| (1) Leased property: | Moto-Azabu Hills Forest Tower |
| (2) Leased compartment: | Part of B2F |
| (3) Leased floor area: | 51.34m ² |
| (4) Proprietary user: | Mori Building Co., Ltd. |
| (5) Purpose of proprietary use: | Subleasing to Hills Club Co., Ltd., which operates MOTOAZABU HILLS SPA |
| (6) Use: | Office (MOTOAZABU HILLS SPA staff room) |
| (7) Contract rent (monthly): | 50,000 yen
(including property management fees and electricity usage charges)
(same terms as prior to renewal) |
| (8) Contract renewal deposit: | 300,000 yen
(equivalent to 6 months worth of monthly rent)
(same terms as prior to renewal) |
| (9) Contract period after renewal: | From April 1, 2009 to March 31, 2012 |
| (10) Date of conclusion of memorandum: | Scheduled to be concluded by March 31, 2009 |



HILLS REIT

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 manager	Mori Building is the parent company, etc. of the asset manager, and thus constitutes an interested party, etc. as stipulated in the Law Concerning Investment Trusts and Investment Corporations.

3. Procedures Concerning Transaction with Interested Party, etc.

Based on its Related Parties Transaction Guidelines and after having considered the reasonable level of rent for the compartment, etc., the asset manager made resolutions concerning the transaction at a meeting of its Compliance Committee held on March 19, 2009 and a meeting of its Board of Directors held on March 23, 2009.

- 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>