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(Securities Code: 3234)  
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MHR Announces Amendment of Part of the Articles of Incorporation and  
Appointment of Directors

Mori Hills REIT Investment Corporation (MHR) announced a resolution was adopted at a meeting of MHR's board of directors held today to refer several matters to MHR's fourth general meeting of unitholders, which is scheduled to be held on April 8, 2011. The matters are an amendment of part of the Articles of Incorporation and the appointment of directors. The details are outlined below.

Please note that these matters shall take effect only upon approval by vote at MHR's fourth general meeting of unitholders.

1. Amendment of Part of the Articles of Incorporation

The reasons for the amendment are as follows:

- (1) The asset management fee (management fee, acquisition fee and disposition fee) fee structure, rates, etc. will be revised as follows as one measure pertaining to the dividend-oriented management that MHR and its asset manager has adopted as a basic policy.
  - (i) Management fee  
In view of making the transition to a fee structure that is linked to MHR's performance, the current fee structure of calculating the management fee based on the total amount of assets under management (sum total amount of acquisition value) will be revised to a fee structure that makes Management Fee 1, which is calculated based on the value of assets under management appraised at the end of the period, and Management Fee 2, which is calculated based on the amount of distributable earnings, both the management fee. In addition, when the revised management fee will become payable will be clarified.
  - (ii) Acquisition fee  
The upper limit for the rate applicable to the acquisition fee in the case that MHR acquires specified assets from related parties (as defined in the Related Parties Transaction Guidelines of the asset manager) will be lowered from 0.5% to 0.1%.
  - (iii) Disposition fee  
The disposition fee in the case that MHR disposes of specified assets will be abolished.



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- (2) Transitional provisions will be established to clarify the effective date of the revisions in (1) above.
- (3) The wording will be altered, etc. as necessary in accordance with amendment of the Special Taxation Measures Law (Law No. 26 of 1957; including amendments thereto) changing the requirements for reduction of the registration and license tax in the registration of transfer of ownership of real estate.
- (4) Other terminology will be altered and expressions will be changed to respond to amendment, etc. of laws and regulations, and wording will be altered, etc. as necessary to update the articles.

## 2. Appointment of Directors

Executive director Hiroshi Mori has made a request to resign as of the end of MHR's fourth general meeting of unitholders that is scheduled to be held on April 8, 2011.

Executive director Toshifumi Saito and all three supervisory directors have also each made a request to once resign from the post of executive director and supervisory director of MHR as of the end of MHR's fourth general meeting of unitholders that is scheduled to be held on April 8, 2011. Consequently, agenda items regarding the appointment of two executive directors and three supervisory directors to succeed these posts will be submitted.

- (1) Executive director candidates
  - Hideyuki Isobe (new appointment)
  - Toshifumi Saito (current post)
- (2) Supervisory director candidates
  - Noboru Yanai (current post)
  - Takeo Kosugi (current post)
  - Masakuni Tamura (current post)

## 3. Schedule

February 23, 2011	Resolution of the board of directors on agenda items to be submitted to the fourth general meeting of unitholders
March 18, 2011	Delivery of the notice of convocation of the fourth general meeting of unitholders (planned)
April 8, 2011	Holding of the fourth general meeting of unitholders (planned)

- 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>