

For Translation Purposes Only

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MHR Announces Change in Large Tenant

Mori Hills REIT Investment Corporation (MHR) announced it received from a tenant of a MHR property an advance notice of termination of a lease agreement (fixed master lease) (hereinafter, the “Agreement”) upon expiration of the Agreement (notice stating non-renewal under the Agreement). The details are as follows.

1. Change in Large Tenant (Termination of Lease Agreement)

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| (1) Name of tenant: | Urban Renaissance Agency (UR) |
| (2) Name of occupied property: | Roppongi View Tower (hereinafter, the “Property”)
(Note 1) |
| (3) Leased floor area: | 6,344.84m ² (Note 2) |
| (4) Percentage of total leasable floor area: | 6.6% (Note 3) |
| (5) Date of conclusion of the Agreement: | November 21, 1990 |
| (6) Lease term: | October 29, 1993 to October 28, 2013 |
| (7) Annual rent: | 218,853,549 yen (Note 4) |
| (8) Deposits / Guarantees: | 0 yen |
| (9) Date of expiration of the Agreement (scheduled date of termination of the Agreement): | October 28, 2013 |

(Note 1) The Property is under joint ownership by six parties. MHR owns trust beneficiary rights pertaining to 46% of the joint ownership. In addition, the Property is master leased to UR under the Agreement and UR subleases to sublessors.

(Note 2) The figure arrived at when the figure indicated in the Agreement is multiplied by MHR’s joint ownership interest and then rounded to two decimal places. In addition, as the Agreement is for a master lease, the floor area of common areas, etc. is included.

(Note 3) The figure as at November 30, 2009, rounded down to one decimal place.

(Note 4) The figure arrived at when the figure indicated in the Agreement is multiplied by MHR’s joint ownership interest and then rounded down to the nearest yen.

2. Future Prospects

The abovementioned tenant's scheduled date of termination of the Agreement is October 28, 2013, which is the date of expiration of the Agreement. The leasing scheme after expiration of the Agreement will be a subject of future discussion among the joint owners. The details will be announced at a later date once they are finalized. Furthermore, the existing sublessors are scheduled to occupy the Property in the present form of use as direct lessors even after the end of the Agreement. The abovementioned change will have no impact on MHR's business results for the fiscal period ending January 2010 (August 1, 2009 to January 31, 2010).

- 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>