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**For Translation Purpose Only**

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### **Notice Regarding Acquisition of Property (Land Adjoining the Midosuji MID Building)**

MID REIT, Inc. (hereafter “MID REIT”) today announced its decision to acquire the following property, detailed below.

#### 1. Acquisition Overview

- (1) Asset to be acquired: Real estate
- (2) Property name: Land adjoining the Midosuji MID Building
- (3) Location: 4-42 Minami-senba, Chuo-ku, Osaka (recorded registration)
- (4) Acquisition price: ¥790 million (Excludes various acquisition expenses, etc.)
- (5) Contract date: August 20, 2007 (planned)
- (6) Acquisition completion date: October 31, 2007 (planned)
- (7) Seller: Senba Church of the Konkokyo Religious Organization (See “4. Seller Overview” below)
- (8) Acquisition funding: Cash on hand

The aforementioned property to be acquired is referred to hereinafter as “the Property.”

#### 2. Reason for Acquisition

The acquisition is being made to enhance MID REIT’s property portfolio in accordance with the targeted assets and investment policies stipulated in its articles of incorporation.

In addition, the following points were evaluated in the decision to acquire the Property.

##### (1) Location

Located nearby the major Osaka transportation artery of Midosuji, and a two-minute walk from Shinsaibashi Station on the Midosuji Line of the Osaka Municipal Subway, the Property offers exceptional transportation access. The area surrounding the Property has a high concentration of designer-brand and fashion boutiques as well as other types of retail stores, which attract a large number of visitors. Due to these factors, demand for



properties in the area is expected to remain high. The area's ability to attract visitors, its business dynamism and convenient access to transportation are the primary reasons for MID REIT's high evaluation of the area in terms of potential to attract tenants.

(2) Integrated Management of the Property

Following the acquisition of the Property, MID REIT plans to use the land mainly as a parking area for the adjacent Midosuji MID Building.

(3) Integrated Management toward Maximizing Asset Value

The acquisition and utilization of the Property will allow for the comprehensive development of the Midosuji MID Building, including property extension and renovation. This can contribute to improving the overall profitability of MID REIT's portfolio.

3. Details of the Property

Property Name		Land adjoining the Midosuji MID Building
Type of Asset		Real estate
Location (Lot number) (Note 1)	Address	4-42 Minami-senba, Chuo-ku, Osaka
	Residential	—
Transportation		Two-minute walk from Shinsaibashi Station on the Midosuji Line of the Osaka Municipal Subway
Area (Note 1)	Land	185 m <sup>2</sup>
	Building	—
Type of Ownership	Land	Land ownership
	Building	—
Floor-area Ratio/Building-to-land Ratio (Note 2)		600%/80%
Mortgage		None
Special Instructions		The seller is responsible for removing the building and various structures presently (as of today's date) located on the site area by the acquisition completion date. The Investment Corporation will acquire the Property on the condition that the existing building and various structures on the site area will be removed and boundaries between the Property and neighboring properties will be settled by a designated date.
Acquisition Price		790,000,000 yen
Appraisal Value (Note 3)		792,420,000 yen (Appraisal Date: June 30, 2007) (Appraisal agency: Tanizawa Sogo Appraisal Co., Ltd.)

Notes:

- (1) "Location (lot number)," and "area" are listed based on recorded registration.
- (2) "Floor-area ratio," as stipulated in Article 52 of the Building Standards Law, refers to the ratio of the area of floor space to site area, and the value specified in urban planning based on zoning and other factors is listed. Though the Property's original floor-area ratio was 1,000%, this has been set at no more than 600% due to regulations regarding the width of the road in front of the Property. In the event that the Property and the adjoining Midosuji MID Building are collectively redeveloped, however, the original floor-area ratio of 1,000% will be applied.

"Building-to-land ratio," as stipulated in Article 53 of the Building Standards Law, refers to the ratio of building area to site area, and the value specified in urban planning based on zoning and other factors is listed.



- (3) The “appraisal value” has been calculated on the assumption that the current owner of the Midosuji MID Building will annex the adjoining land subject to this acquisition.

#### 4. Seller Overview

Company Name	Senba Church of the Konkokyo Religious Organization
Headquarters Location	4-3-19 Minami-senba, Chuo-ku, Osaka
Representative	Not shown, as MID REIT has not yet received permission to disclose this information from the seller.
Primary Business	Religion-related
Relationship to MID REIT	None

#### 5. Interest of the Asset Management Company in the Property

None

#### 6. Agency Overview

Company Name	Dwell Life Estate
Headquarters Location	1-16-1 Miyahara, Yodogawa-ku, Osaka
Representative	Kimio Takehana
Commission	23,700,000 yen (Excluding consumption taxes and local consumption taxes payable)
Relationship with MID REIT or MID REIT Management	None

#### 7. Settlement Method

The Investment Corporation will pay the seller a deposit of ¥79 million using cash on hand upon conclusion of the contract to acquire the Property, as planned on August 20, 2007. The remaining ¥711 million will be paid at the time the Property is handed over, as scheduled on October 31, 2007.

#### 8. Acquisition Schedule

August 17, 2007	Reached decision to acquire the Property
August 20, 2007	Conclude contract to acquire the Property (Planned)
October 31, 2007	Acquire the Property (Planned)

#### 9. Outlook

MID REIT has not revised forecasts of its business results for the second period ending December 31, 2007 (July 1, 2007 – December 31, 2007) owing to the acquisition of the Property.

#### <Attachments>

Attachment 1: Appraisal Summary

Attachment 2: Property Portfolio after Acquisition of the Property

Attachment 3: Map of the Property’s Location and Plot Plan (Japanese version)



Appraisal Summary

Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal Value (Note 1)	792,420,000 yen
Appraisal Date	June 30, 2007
Location- and Building-Specific Considerations	The Property is located in the Minami-senba area, situated approximately 170 meters north of Shinsaibashi Station on the Midosuji Line of the Osaka Municipal Subway, and near Midosuji Avenue, which has a high concentration of mid- and high-rise office buildings with retail-use space. The Minami-senba area is currently attracting a number of retail store operators on the lower floors of these buildings, and the area's presence as a retail-business hub is rapidly growing. In addition, demand for retail space on Midosuji Avenue is robust, with a large number of flagship shops of designer-brands and fashion boutiques located in the area. The addition of the Property to the land area of the Midosuji MID Building is expected to improve the building's allowable floor-area ratio. In addition, the merger of the two properties creates a direct connection to Midosuji Avenue, enabling substantial enhancement of the integrated property's profitability and market competitiveness.

Note 1: The "appraisal value" has been calculated on the assumption that the current owner of the Midosuji MID Building will annex the adjoining land subject to this acquisition.

**Property Portfolio after Acquisition of the Property**

Type	Region	Property No.	Property Name	Acquisition Price (Millions of Yen)	Investment Ratio (%) (Note 1)	Acquisition Date
Office Property	Osaka Area	1	Twin 21 (Note 2)	68,700	45.0	Aug. 31, 2006
		2	Matsushita IMP Bldg.	24,600	16.1	Aug. 31, 2006
		3	Matsushita Denko Bldg.	7,620	5.0	Aug. 31, 2006
		4	Midosuji MID Bldg. (Note 3)	7,500	5.4	Aug. 31, 2006 Oct. 31, 2007 (planned)
		5	Higashinoda MID Bldg.	2,300	1.5	Aug. 31, 2006
		10	MID Imabashi Bldg.	3,270	2.1	April 3, 2007
	11	MID Midosujikawaramachi Bldg.	2,000	1.3	May 16, 2007	
	Tokyo metropolitan area, government-designated cities (excluding the Osaka area) and other major cities	6	Kyobashi MID Bldg.	5,690	3.7	Aug. 31, 2006
	7	MID Shibakanasugibashi Bldg.	1,160	0.8	Aug. 31, 2006	
Subtotal (9 Properties)				122,840	81.1	
Real estate other than office properties	Osaka area	8	Konami Sports Club Kyobashi	2,780	1.8	Aug. 31, 2006
	Tokyo metropolitan area, government-designated cities (excluding the Osaka area) and other major cities	9	AEON Tsudanuma Shopping Center	26,100	17.1	Aug. 31, 2006
	Subtotal (2 Properties)				28,880	18.9
Total (11 Properties)				151,720	100.0	

Note 1: Investment ratios presented in the table above have been rounded to the nearest decimal place. Accordingly, the sum of the investment ratio figures may not add up to 100.0%.

Note 2: Twin 21 is listed as one property consisting of the structure and limited proprietary rights of applicable land.

Note 3: The acquisition price of the Midosuji MID Bldg. includes an additional 790 million yen for the acquisition of the Property, planned for acquisition on October 31, 2007.

Map of the Property's Location and Plot Plan (Japanese version)

