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For Translation Purposes Only

MID REIT, Inc.
1-4-4 Dojimahama, Kita-ku, Osaka
Yukinobu Izumi
Executive Director
(Securities Code: 3227)

MID REIT Management Co., Ltd.
Nobuo Moroizumi
President and CEO
Inquiries:
Hiroshi Uemura
Director
General Manager, Finance & Planning Division
TEL. +81-6-6456-0700

**Notice Regarding Expiration of Period to Exercise Preferential Negotiating Rights
Associated with Property Acquisition**

MID REIT, Inc. (hereafter “MID REIT”) today announced the expiration of the period for exercising rights for the preferential acquisition (hereafter “the Preferential Negotiating Rights”) of the below-stated asset.

1. Outline of the Preferential Negotiating Rights

- (1) Relevant Asset: Trust beneficiary rights in Sakura Dori MID Building (hereafter “the Property)
- (2) Acquisition Background: By acquiring the silent partnership interests (¥211 million in total) operated by Sakura Dori LLC, the developer of the Property, MID REIT acquired the Preferential Negotiating Rights for the acquisition of trust beneficiary interests in the Property over a six-month period that commenced upon the completion of the Property’s construction.

For further details with regard to the Preferential Negotiating Rights, please refer to “Notice Regarding Acquisition of Silent Partnership Interests,” dated November 29, 2007, “(Revised) Notice Regarding Acquisition of Silent Partnership Interests,” dated April 15, 2008 and “Notice Regarding Completed Acquisition of Silent Partnership Interests,” dated February 26, 2009.

2. Expiration of the Preferential Negotiating Rights

The Preferential Negotiating Rights did not obligate MID REIT to purchase trust beneficiary interests in the Property. Consequently, no monetary penalty was incurred due to the Preferential Negotiating Rights not having been exercised before the period for such exercise had expired.

Note: This press release provides information regarding MID REIT’s “Notice Regarding Expiration of Period to Exercise Preferential Negotiating Rights Associated with Property Acquisition” and is not prepared as an inducement or invitation for investment. All readers are advised to consult their own investment advisors before investing in MID REIT. Investment decisions are made at the investor’s sole discretion and responsibility and are made at their own risk. MID REIT and its affiliates disclaim any responsibility or liability for the consequences of investment in MID REIT.



In addition, although the exercise period for the Preferential Negotiating Rights has expired, as of August 31, 2009, the occupancy rate of the Property was 93.4%. This level is sufficient to ensure that the Property meets MID REIT's investment standards as it supports expectations for continued stable earnings while ensuring that the Property contributes to portfolio quality. Therefore, when considering the purchase of trust beneficiary rights in the Property, MID REIT will move forward giving careful scrutiny to real estate market conditions, financial market trends and other factors.

3. Outlook

MID REIT has not revised forecasts of its business results for the fiscal period ending December 31, 2009 (July 1, 2009 – December 31, 2009) and the fiscal period ending June 30, 2010 (January 1, 2010 – June 30, 2010) owing to the expiration of the period to exercise the Preferential Negotiating Rights, as stated above.