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**For Translation Purpose Only**

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### Notice Regarding Transaction with Interested Party

MID REIT, Inc. (hereafter “MID REIT”) today announced that it has decided to carry out the following transaction with Kanden Energy Solution Co., Inc. (hereafter “Kanden Energy Solution”) as the counterparty. Kanden Energy Solution is an interested party (hereafter “the Interested Party”) of MID REIT Management Co., Ltd. (hereafter “the Asset Management Company”) as defined under the Investment Trust and Investment Corporation Law. Overviews are set out below.

#### 1. Overview of Transaction with the Interested Party

- (1) Property Name  
Twin 21 MID Tower
- (2) Overview of Energy Equipment Lease Agreement

Lessor	Kanden Energy Solution Co., Inc.
Lessee	The Sumitomo Trust and Banking Co., Ltd. (Trustee)
Subject equipment	Power supply (upgrade) Lighting / electrical outlet: 300 kva Power outlet: 75 kva
Contract duration	From April 1, 2011 to March 31, 2021 (able to renew)
Details of contract	When upgrading power supplies for the purpose of responding to new tenant needs, Kanden Energy Solution will install the subject equipment based on the lease agreement. Kanden Energy Solution will regularly inspect the subject equipment and shall bear the costs pertaining to repairs necessary for maintaining and operating the equipment, as well as other maintenance costs.

- (3) Rationale behind Engaging in the Transaction

As disclosed in the press release, “Notice Concerning Comprehensive Basic Agreement on Discussing the Introduction of Utility Services” dated April 30, 2010, the Asset Management Company and Kanden Energy Solution has deliberated and discussed the introduction of utility services with the aim of

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realizing reduction of facility life cycle costs, etc. in properties held by MID REIT. They will conclude the said agreement as part of activities to introduce the utility services.

MID REIT decided to conclude the agreement based on the judgment that, with regards to the new installation of energy equipment, rather than MID REIT owning the subject equipment, Kanden Energy Solution installing the subject equipment and MID REIT leasing the equipment would help MID REIT equalize its capital expenditure and reduce necessary funds.

Including this transaction, the goal is to further improve the asset value of the MID REIT portfolio by proactively and widely utilizing the abundant management resources of the Kansai Electric Power Group.

## 2. Overview of the Interested Party

(As of September 30, 2010)

Company Name	Kanden Energy Solution Co., Inc.
Headquarters Location	7F, Kanden Building, 3-6-16, Nakanoshima, Kita-ku, Osaka-shi
Representative	Hiroki Tanaka, President and Director
Paid-in Capital	15,200 million yen
Major Shareholder	Kansai Electric Power Co., Inc.
Primary Business	Utility business (utility services, ESCO services, on-site energy services, etc.) Energy management services (energy diagnostics, etc.) Facility services (management and maintenance of electric facilities, etc.), Gas and fuel oil sales services
Relationship to MID REIT / Asset Management Company	Kanden Energy Solution is a wholly owned subsidiary of Kansai Electric Power Co., Inc., which is a major shareholder of MID REIT's sponsor (MID Urban Development Co., Ltd.). As such, Kanden Energy Solution falls under the category of an interested party of the Asset Management Company, as defined under the Investment Trust and Investment Corporation Law.

## 3. Procedures Governing Transactions with Interested Parties

Upon entering into an agreement with the lessor, the Asset Management Company shall follow certain procedures stipulated in its internal regulations that provide guidelines for transactions with related parties of its sponsors with the aim of eliminating potential conflicts of interest and conducting more appropriate asset management and contributing to the interest of investors, including: approval by its Compliance Committee; deliberation and resolution by its Investment Committee; and deliberation and resolution at a meeting of its Board of Directors.

## 4. Outlook

MID REIT has not revised forecasts of its business results for the fiscal period ending December 31, 2010 (July 1, 2010 – December 31, 2010) and the fiscal period ending June 30, 2011 (January 1, 2011 – June 30, 2011) owing to the transaction.

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