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**For Translation Purpose Only**

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(Securities Code: 3227)

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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 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

MID REIT will conclude a lease agreement on leased units with The Kansai Electric Power Co., Inc. (the Interested Party) as follows:

- (1) Property Name  
Twin 21 MID Tower
- (2) Overview of Lease Agreement on Leased Units

Lessee	The Kansai Electric Power Co., Inc.
Leased floor space	2,292.72 m <sup>2</sup>
As a percentage of total leased floor space for the entire portfolio	0.8% (Note 1)
Type of contract	Fixed-term building lease agreement
Contract duration	From July 1, 2011 to June 30, 2021 (10 years) (Note 2)
Contracted rent	– (Note 3)

Note 1: Calculated based on total leased floor space for the entire portfolio as of December 31, 2010.

Note 2: Can be cancelled on or after July 1, 2016 upon giving 6 months advance notice of cancellation.

Note 3: Details are not shown, as permission to disclose such information has not been received.

- (3) Rationale behind Engaging in the Transaction

MID REIT decided to engage in the transaction in an aim to ensure stable occupancy of the property through conclusion of a lease agreement on leased units with the lessee over the long term.

Note: This press release provides information regarding MID REIT’s “Notice Regarding Transaction with Interested Party” 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.



## 2. Procedures Governing Transactions with Interested Parties

The Asset Management Company has formulated internal regulations that provide guidelines for transactions with related parties of its sponsors with the aim of eliminating potential conflicts of interest and thereby enabling it to perform efficient asset management to the benefit of MID REIT's unitholders. Under these internal regulations, the lessee listed above, The Kansai Electric Power Co., Inc., falls into the category of sponsor related parties. Accordingly, upon entering into an agreement with the lessee, the Asset Management Company shall follow certain procedures stipulated in the aforementioned internal regulations, 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. Members of the Compliance Committee and the Investment Committee include external experts.

## 3. Overview of the Interested Party

(As of December 31, 2010)

Company Name	The Kansai Electric Power Co., Inc.
Headquarters Location	3-6-16, Nakanoshima, Kita-ku, Osaka-shi
Representative	Makoto Yagi, President and Director
Paid-in Capital	489,320 million yen
Major Shareholder	City of Osaka Nippon Life Insurance Company Japan Trustee Services Bank, Ltd. (As of September 30, 2010)
Primary Business	Electricity business, heat supply business, telecommunications business, gas supply business, etc.
Relationship to MID REIT / Asset Management Company	The Kansai Electric Power Co., Inc. is a company that holds 92.75% of the shares issued and outstanding of MID Urban Development Co., Ltd., which holds all of the shares issued and outstanding of MID REIT's asset management company, MID REIT Management Co., Ltd. As such, The Kansai Electric Power Co., Inc. falls under the category of an interested party of the asset management company, as defined under the Investment Trust and Investment Corporation Law.

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