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For Translation Purpose Only

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**Notice Regarding Transfer of Property
(MID Shibakanasugibashi Building)**

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

1. Overview of Transfer

- (1) Asset to be Transferred: Trust beneficiary interest in entrusted real estate in Japan
- (2) Property name: MID Shibakanasugibashi Building
- (3) Location: 1-4-3 Shiba, Minato-ku, Tokyo (Indicated for residence)
- (4) Transfer price: ¥1,255 million (Excluding adjustments for amounts equivalent to property taxes and city planning taxes, and consumption tax, etc)
- (5) Book Value: ¥1,127 million (Book Value as of June 30, 2012)
- (6) Difference Between Transfer price and Book Value: ¥127 million (Difference Between(4) and (5) above)
- (7) Contract date: August 30, 2012 (Planned)
- (8) Transfer date: September 25, 2012 (Planned)
- (9) Transferee: Yugen Kaisha T&M (See “4. Transferee Overview ” below)
- (10) Transfer Method: Trust beneficiary interest in real estate will be sold to the Transferee indicated above.

Hereafter, the aforementioned asset to be transferred is referred to as the “Asset” and the Asset’s trust property is referred to as “the Property.”

2. Reason for Transfer

The Property had been managed as a building that is leased in its entirety, but no succeeding tenant has been decided since the last tenant exited the Property on March 31, 2012.

Based on a comprehensive review of the real estate leasing market and real estate transaction market trends, etc. and careful consideration in both aspects of leasing and transfer of the Property, MID REIT concluded that transfer of the Asset would be the optimal way to enhance its portfolio in the medium to long term.

3. Details of Property for Transfer

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Property Name		MID Shibakanasugibashi Building
Type of Assets		Trust beneficiary interest in entrusted real estate (trust beneficiary interest in real estate)
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust Expiration Date		March 22, 2005 — March 31, 2017
Location (Indicated for residence)		1-4-3 Shiba, Minato-ku, Tokyo
Completion Date		January 31, 1995
Use		Retail facilities, Offices, Parking
Structure		SRC, B1/9F
Area	Land	430.21 m ²
	Building	2,921.29 m ²
Type of Ownership	Land	Fee simple
	Building	Fee simple
Floor-area ratio / Building-to-land ratio		691.65% (Note 1) / 100% (Note 2)
Date of Acquisition		August 31, 2006
Acquisition Price		¥1,160 million (Excluding various acquisition expenses, property taxes, etc. and consumption taxes, etc.)
Book Value		¥1,127 million (As of June 30, 2012)
Transfer Price		¥1,255 million (Excluding adjustments for amounts equivalent to property taxes and city planning taxes, and consumption taxes, etc.)
Difference Between Transfer Price and Book Value		¥127 million
Appraisal Value (Appraisal method, etc)		¥1,140 million (Capitalization method date of value estimate: June 30, 2012) (Appraisal agency: Tanizawa Sogo Appraisal Co., Ltd.)
Transfer Date		September 25, 2012 (Planned)
Rental status (As of July 31, 2012)		
Total Tenants		0
Rentable Area		1,989.27 m ²
Rental Area		0 m ²
Occupancy Rate		0.0%

Note 1: As the floor-area ratio of the Property's land is 700% for the portion that is or within 30m to the east of the boundary on the west side and 500% for the portion that is over 30m, the floor-area-ratio that applies is the weighted average in proportion to the area.

Note 2: The building-to-land ratio of the Property's land was originally 80%, because the location was within a commercial zone, but because it was a fireproof building in a fire zone, its ratio was increased, and its applicable building-to-land ratio came to 100%.

4. Transferee Overview

Company Name	Yugen Kaisha T&M
Headquarters Location	5-20-3 Esaka-cho, Suita-shi, Osaka
Representative	Toshiyuki Sugino, Member of the Board
Primary Business	Real estate management business
Capital	¥3 million (As of July 20, 2012)
Date of Establishment	December 21, 1994
Net Assets	Not shown, as permission to disclose such information has not been received from the Transferee.
Total Assets	Not shown, as permission to disclose such

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	information has not been received from the Transferee.
Large Shareholder and Shareholding	Not shown, as permission to disclose such information has not been received from the Transferee.
Relationship to MID REIT or Asset Management Company	There are no capital ties, personnel ties and business ties to be stated between MID REIT or the Asset Management Company and the Company. In addition, the Company is not a related party of MID REIT or the Asset Management Company. The Company also does not fall under the category of an “interested person, etc.” as defined in the Order for Enforcement of the Law Concerning Investment Trusts and Investment Corporations and a “sponsor company” as defined in the sponsor company transaction guidelines that are internal regulations of the Asset Management Company.

5. Overview of Brokerage

Broker	Mitsubishi UFJ Trust and Banking Corporation
Headquarters Location	1-4-5 Marunouchi, Chiyoda-ku, Tokyo
Representative	Tatsuo Wakabayashi, President
Primary Business	Retail banking business, corporate business, trust assets business, real estate business, stock transfer agency business, and markets and global business
Capital	¥324,279 million (As of March 31, 2012)
Date of Establishment	March 10, 1927
Relationship to MID REIT or Asset Management Company	The Company is MID REIT’s lender, unitholder register administrator and special transfer account management institution, but there are no capital ties and personnel ties to be stated. There are no capital ties, personnel ties and business ties to be stated between the Asset Management Company and the Company. In addition, the Company is not a related party of MID REIT or the Asset Management Company, and also does not fall under the category of an “interested person, etc.” as defined in the Order for Enforcement of the Law Concerning Investment Trusts and Investment Corporations and a “sponsor company” as defined in the sponsor company transaction guidelines that are internal regulations of the Asset Management Company.
Commission, etc.	Not shown, as permission to disclose such information has not been received from the Broker.

6. Settlement Method and Schedule for Transfer

August 29, 2012	Reached decision to sell the Property
August 30, 2012	Conclude an agreement concerning the transfer of the trust beneficiary interest (Planned) Receive 10% of the transfer price (deposit) (Planned)
September 25, 2012	Sell the trust beneficiary interest (Planned) Receive 90% of the transfer price (remaining payment) (Planned)

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7. Outlook

For the revision of the outlook of MID REIT's business results for the fiscal period ending December 31, 2012 (July 1, 2012 to December 31, 2012) as a result of transfer of the Asset, please refer to the "Notice Regarding Revision of Distributions Forecast for the 13th Period Ending December 31, 2012" separately announced today. Regarding the revision of the outlook of its business results for the fiscal period ending June 30, 2013 (January 1, 2013 to June 30, 2013), there is no change from the outlook of its business results for the fiscal period ending June 30, 2013 (January 1, 2013 to June 30, 2013) announced on August 16, 2012.

<Attachment>

Attachment : Property Portfolio after Transfer of MID Shibakanasugibashi Building



Attachment

Property Portfolio after Transfer of MID Shibakanasugibashi Building

Type	Region	Property Name	Acquisition Price (Millions of Yen)	Investment Ratio (%)	Acquisition Date
Office Properties	Osaka Area	Twin 21	68,700	42.9	Aug. 31, 2006
		Matsushita IMP Bldg.	24,600	15.4	Aug. 31, 2006
		Panasonic Osaka Kyobashi Bldg.	7,620	4.8	Aug. 31, 2006
		Midosuji MID Bldg.	8,290	5.2	Aug. 31, 2006 Oct. 31, 2007
		MID REIT Kyobashi Bldg.	2,300	1.4	Aug. 31, 2006
		MID Imabashi Bldg.	3,270	2.0	April 3, 2007
		MID Midosujikawaramachi Bldg.	2,000	1.2	May 16, 2007
		Kitahama MID Bldg.	10,800	6.7	April 24, 2008
		MID Nishihommachi Bldg.	3,550	2.2	Oct. 30, 2008
		Tokyo metropolitan area, Government-designated cities (excluding the Osaka area) and other major cities	MID Shibakanasugibashi Bldg.	—	—
	Subtotal (9 Properties)		131,130	82.0	
Non-office properties	Osaka area	Konami Sports Club Kyobashi	2,780	1.7	Aug. 31, 2006
	Tokyo metropolitan area, Government-designated cities (excluding the Osaka area) and other major cities	AEON MALL Tsudanuma	26,100	16.3	Aug. 31, 2006
	Subtotal (2 Properties)		28,880	18.0	
Total (11 Properties)			160,010	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: Data for Twin 21 includes the trust beneficiary interest of Twin21 (partial ownership of leased land).

Note 3: In addition to the portfolio properties listed in the table above, MID REIT has acquired an interest in the silent partnership operated by Sakura Dori Development Limited Liability Company that will develop the Sakura Dori MID Building on November 29, 2007, January 30, 2008, September 29, 2008 and February 26, 2009.

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