



May 13, 2015

For Translation Purpose Only

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

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Notice Concerning Amendment of Articles of Incorporation, and Appointment of Directors

MID REIT, Inc. (hereafter “MID REIT”) is scheduled to hold the Sixth General Meeting of Unitholders (hereafter, the “General Meeting of Unitholders”) on June 16, 2015 (public notice given in the *Nihon Keizai Shimbun* (The Nikkei) on April 11, 2015).

MID REIT announces that, at a meeting of the board of directors held today, it resolved to submit to the General Meeting of Unitholders proposals for the following amendment of the Articles of Incorporation as well as appointment of executive directors and supervisory directors.

The matters of 1. and 2. below shall become effective upon approval by the General Meeting of Unitholders (however, the following amendment of the Articles of Incorporation pertaining to change of the location of the head office stated in 1.(2) below shall become effective on the head office relocation date that is decided at a meeting of the board of directors of MID REIT to be held by December 31, 2015 after approval by the General Meeting of Unitholders).

1. Amendment of Articles of Incorporation

<<Main Details and Reasons>>

(1) Related to Article 1

The trade name is being changed to MCUBS MidCity 投資法人 (MCUBS MidCity Investment Corporation in English) as a result of MCUBS MidCity Inc., which is the asset management company to which MID REIT entrusts the management of its assets, newly joining the lineup of sponsors of MID REIT upon Mitsubishi Corp. - UBS Realty Inc. acquiring 65% of the shares issued and outstanding of MCUBS MidCity Inc.

(2) Related to Article 3 and Article 41

The location of the head office is being changed from Osaka City, Osaka to Chiyoda Ward, Tokyo. The concerned change shall become effective on the head office relocation date that is decided at a meeting of the board of directors of MID REIT to be held by December 31, 2015 and amendments are thus being made to Article 41 in order to establish a supplementary provision to that effect.

Note: This press release provides information regarding MID REIT’s “Notice Concerning Amendment of Articles of Incorporation, and Appointment of Directors” 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 investors’ sole discretion and responsibility and are made at their own risk. MID REIT and its affiliates disclaim any responsibility or liability for the consequence of investment in MID REIT.

- (3) Related to Article 15, Paragraph 1
A provision concerning the record date for determining the unitholders who are entitled to exercise their voting rights at the general meeting of unitholders to be held within three months of the settlement of accounts is being newly established.
- (4) Related to Article 27, Paragraph 2
Amendments are being made concerning the investment stance of MID REIT in order to exclude commercial properties and industrial properties from investment targets in the case of new investments as a result of MCUBS MidCity Inc., which is MID REIT's asset management company, having amended its asset management guidelines pertaining to the management of the assets of MID REIT to exclude commercial properties and industrial properties from investment assets that are to be acquired going forward.
- (5) Related to Article 27, Paragraph 3
Amendments are being made concerning the investment region of MID REIT to be "focused on the three major metropolitan areas (Tokyo metropolitan area (Tokyo, Kanagawa, Chiba and Saitama Prefectures), Osaka metropolitan area (Osaka, Kyoto and Hyogo Prefectures) and Nagoya metropolitan area (Aichi Prefecture)), and also include the government-designated cities and other major cities as well as abroad" in view of enhancement of unitholder value by pursuing portfolio diversification through expansion of the investment region.
- (6) Related to Article 28
As a result of revision of the Ordinance for Enforcement of the Law Concerning Investment Trusts and Investment Corporations (hereafter, the "Ordinance for Enforcement of the IITL"), the required revisions are being made to provisions so as to enable acquisition of shares in a non-Japanese corporation that is for investment in solely specified assets outside of Japan and meets certain requirements (hereafter, the "corporation holding overseas real estate") in a proportion beyond the restriction provided in Article 194 of the Law Concerning Investment Trusts and Investment Corporations.
Furthermore, a provision that adds renewable energy power generation facilities and rights to operate a public facility, etc. to the investment targets of MID REIT is being newly established as a result of revision of the Order for Enforcement of the Law Concerning Investment Trusts and Investment Corporations (hereafter, the "Order for Enforcement of the IITL") adding assets that fall under the category of specified assets.
In addition, as a result of the change of the investment region, rights, etc. under laws and regulations of a foreign state are being added to the investment targets.
- (7) Related to Article 29, Paragraph 2
As a result of the change of the investment region, amendments are being made to enable management of content that invests in derivative transactions for the purpose of hedging exchange risks.
- (8) Related to Article 34, Paragraph 1, Item 4
As a result of revision of the Special Taxation Measures Law, etc., amendments are being made to enable distribution of cash in excess of earnings for the purpose of reducing the tax burden on MID REIT.
- (9) Other
Changes other than the above include adjustments to the organization of the articles and paragraphs of the Articles of Incorporation, corrections of typographical errors, and amendments to the wording as necessary from such aspects as consistency with the indication in laws and regulations and other provisions of the Articles of Incorporation.

(Please refer to the "Notice of Convocation of the Sixth General Meeting of Unitholders" attached for details of the proposal concerning amendment of the Articles of Incorporation.)

2. Appointment of Executive Directors and Supervisory Directors

<<Main Details>>

Tomoyuki Goto has requested to resign as executive director and Haruo Kitamura and Naohiro Taniguchi have requested to resign as supervisory directors, effective upon the conclusion of the General Meeting of Unitholders. Therefore, MID REIT will submit proposals to appoint one executive director (candidate: Katsura Matsuo) and two supervisory directors (candidates: Haruo Kitamura and Osamu Ito). Please note that Katsura Matsuo is President & CEO & Representative Director of MCUBS MidCity Inc., which is MID REIT's asset management company (hereafter, the "Asset Management Company").

In addition, to prepare for the potential absence of executive directors and supervisory directors, or an insufficient number of directors as prescribed by law, MID REIT will submit a proposal to appoint one substitute executive director (candidate: Naoki Suzuki) and one substitute supervisory director (candidate: Yonetaro Ori). Please note that Naoki Suzuki is Deputy President & Representative Director of the Asset Management Company.

Please note that Hiroataka Saito was appointed substitute executive director at the Fifth General Meeting of Unitholders held on May 21, 2014, but upon Tomoyuki Goto's request to resign as executive director, Hiroataka Saito has requested to decline the assumption of office after Tomoyuki Goto's resignation as executive director. Therefore, the concerned appointment of substitute executive director was revoked at the meeting of the board of directors held today.

(Please refer to the "Notice of Convocation of the Sixth General Meeting of Unitholders" attached for details of the proposals concerning appointment of executive directors and supervisory directors.)

3. Schedule for General Meeting of Unitholders, etc.

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|---------------|--|
| May 13, 2015 | Meeting of the board of directors to approve proposals to be submitted to the Sixth General Meeting of Unitholders |
| May 29, 2015 | Dispatch of "Notice of Convocation of the Sixth General Meeting of Unitholders" (scheduled) |
| June 16, 2015 | Holding of the Sixth General Meeting of Unitholders (scheduled) |

[Attachment]

Notice of Convocation of the Sixth General Meeting of Unitholders

(Securities Code: 3227)

May 29, 2015

To Our Unitholders

1-4-4 Dojimahama, Kita-ku, Osaka
MID REIT, Inc.
Tomoyuki Goto, Executive Director

Notice of Convocation of the Sixth General Meeting of Unitholders

MID REIT, Inc. (hereafter, “MID REIT”) hereby notifies you of and requests your attendance at the Sixth General Meeting of Unitholders of MID REIT to be held as set out below.

Please note that if you are unable to attend on the day, you are entitled to exercise your voting rights in writing. Please take the time to review the reference documents for the general meeting of unitholders attached hereto, indicate your vote in favor or against on the enclosed form for exercising voting rights (hereafter, the “voting form”) and return the voting form to arrive by 5:00 p.m. on June 15, 2015 (Monday).

In addition, pursuant to the provisions of Article 93, Paragraph 1 of the Law Concerning Investment Trusts and Investment Corporations (hereafter, the “ITL”), MID REIT has made provision for “deemed approval” in Article 14, Paragraph 1 and Paragraph 2 of the existing Articles of Incorporation of MID REIT as set out below. Therefore, **please note that unitholders not present at a general meeting of unitholders on the day who do not exercise their voting rights via a voting form will be deemed to have voted in favor of each of the proposals at that general meeting of unitholders.**

(Excerpt from the existing Articles of Incorporation of MID REIT)

Article 14 (Deemed Approval)

1. When unitholders do not attend the general meeting of unitholders and do not exercise their voting rights, those unitholders shall be deemed to have voted in favor of the proposal submitted to that general meeting of unitholders (in cases where several proposals have been submitted, when these include proposals of conflicting purpose, then excluding all of those conflicting proposals).
2. The number of voting rights held by the unitholders who are deemed to have voted in favor of the proposal under the provisions of the preceding paragraph shall be included in the number of voting rights of unitholders who attended the meeting.

Details

1. **Date and Time** June 16, 2015 (Tuesday) 10:00 a.m.
2. **Venue** Hotel New Otani Osaka 2F “The HŌ S”
1-4-1 Shiromi, Chuo-ku, Osaka

3. Meeting Agenda

Matters to be Resolved

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|-----------------------|--|
| Proposal No. 1 | Amendment of Part of Articles of Incorporation |
| Proposal No. 2 | Appointment of 1 Executive Director |
| Proposal No. 3 | Appointment of 1 Substitute Executive Director |
| Proposal No. 4 | Appointment of 2 Supervisory Directors |
| Proposal No. 5 | Appointment of 1 Substitute Supervisory Director |

(Information)

◎ Upon your attendance on the day, please kindly submit the enclosed voting form to the reception at the venue.

◎ To exercise voting rights by proxy, you are entitled to have one other unitholder with voting rights attend the general meeting of unitholders as your proxy. Please submit a document evidencing the authority of proxy along with the voting form to the reception at the venue.

Please note that a proxy who is not a unitholder and any accompanying person or other person other than a unitholder who is entitled to exercise voting rights will not be allowed into the venue.

◎ Method of informing of any amendment of the reference documents for the general meeting of unitholders

Please note that, in cases where there is the need to amend matters to be stated in the reference documents for the general meeting of unitholders, the amended matters will be posted on MID REIT's website (<http://www.midreit.jp/>).

◎ On the day, the closing of the general meeting of unitholders will be followed by the holding of a "Business Results Briefing" by MID REIT's asset management company MCUBS MidCity Inc. at the same venue. MID REIT requests your attendance at the briefing also.

Reference Documents for the General Meeting of Unitholders

Proposals and Reference Matters

Proposal No. 1 Amendment of Part of Articles of Incorporation

1. Reasons for Amendment

(Unless otherwise stated, the numbering of articles, paragraphs and items of the Articles of Incorporation referred to in this section shall be the numbering of articles, paragraphs and items of the existing Articles of Incorporation.)

(1) Related to Article 1

The trade name is being changed to MCUBS MidCity投資法人 (MCUBS MidCity Investment Corporation in English) as a result of MCUBS MidCity Inc., which is the asset management company to which MID REIT entrusts the management of its assets, newly joining the lineup of sponsors of MID REIT upon Mitsubishi Corp. - UBS Realty Inc. acquiring 65% of the shares issued and outstanding of MCUBS MidCity Inc.

(2) Related to Article 3 and Article 41

The location of the head office is being changed from Osaka City, Osaka to Chiyoda Ward, Tokyo. The concerned change shall become effective on the head office relocation date that is decided at a meeting of the board of directors of MID REIT to be held by December 31, 2015 and amendments are thus being made to Article 41 in order to establish a supplementary provision to that effect.

(3) Related to Article 15, Paragraph 1

A provision concerning the record date for determining the unitholders who are entitled to exercise their voting rights at the general meeting of unitholders to be held within three months of the settlement of accounts is being newly established.

(4) Related to Article 27, Paragraph 2

Amendments are being made concerning the investment stance of MID REIT in order to exclude commercial properties and industrial properties from investment targets in the case of new investments as a result of MCUBS MidCity Inc., which is MID REIT's asset management company, having amended its asset management guidelines pertaining to the management of the assets of MID REIT to exclude commercial properties and industrial properties from investment assets that are to be acquired going forward.

(5) Related to Article 27, Paragraph 3

Amendments are being made concerning the investment region of MID REIT to be "focused on the three major metropolitan areas (Tokyo metropolitan area (Tokyo, Kanagawa, Chiba and Saitama Prefectures), Osaka metropolitan area (Osaka, Kyoto and Hyogo Prefectures) and Nagoya metropolitan area (Aichi Prefecture)), and also include the government-designated cities and other major cities as well as abroad" in view of enhancement of unitholder value by pursuing portfolio diversification through expansion of the investment region.

(6) Related to Article 28

As a result of revision of the Ordinance for Enforcement of the Law Concerning Investment Trusts and Investment Corporations (hereafter, the "Ordinance for Enforcement of the ITL"), the required revisions are being made to provisions so as to enable acquisition of shares in a non-Japanese corporation that is for investment in solely specified assets outside of Japan and meets certain requirements (hereafter, the "corporation holding overseas real estate") in a proportion beyond the restriction provided in Article 194 of the Law Concerning Investment Trusts and Investment Corporations.

Furthermore, a provision that adds renewable energy power generation facilities and rights to operate a public facility, etc. to the investment targets of MID REIT is being newly established as a result of revision of the Order for Enforcement of the Law Concerning Investment Trusts and Investment Corporations (hereafter, the “Order for Enforcement of the IITL”) adding assets that fall under the category of specified assets.

In addition, as a result of the change of the investment region, rights, etc. under laws and regulations of a foreign state are being added to the investment targets.

(7) Related to Article 29, Paragraph 2

As a result of the change of the investment region, amendments are being made to enable management of content that invests in derivative transactions for the purpose of hedging exchange risks.

(8) Related to Article 34, Paragraph 1, Item 4

As a result of revision of the Special Taxation Measures Law, etc., amendments are being made to enable distribution of cash in excess of earnings for the purpose of reducing the tax burden on MID REIT.

(9) Other

Changes other than the above include adjustments to the organization of the articles and paragraphs of the Articles of Incorporation, corrections of typographical errors, and amendments to the wording as necessary from such aspects as consistency with the indication in laws and regulations and other provisions of the Articles of Incorporation.

2. Content of Amendment

The following amendment of part of the existing Articles of Incorporation is being proposed.

(The amended portions are underlined.)

| Existing Articles of Incorporation | Proposed Amendment |
|--|--|
| <p style="text-align: center;">Chapter 1 General Provisions</p> <p>Article 1 (Trade Name) The investment corporation shall be named <u>MIDリート</u> 投資法人 and expressed as <u>MID REIT, Inc.</u> in English (hereafter, the investment corporation referred to as “<u>MID REIT</u>”).</p> <p>Article 3 (Location of Head Office) <u>MID REIT</u> shall have its head office located in <u>Osaka City</u>.</p> | <p style="text-align: center;">Chapter 1 General Provisions</p> <p>Article 1 (Trade Name) The investment corporation shall be named <u>MCUBS MidCity</u> 投資法人 and expressed as <u>MCUBS MidCity Investment Corporation</u> in English (hereafter, the investment corporation referred to as “<u>MCUBS MidCity</u>”).</p> <p>Article 3 (Location of Head Office) <u>MCUBS MidCity</u> shall have its head office located in <u>Chiyoda Ward, Tokyo</u>.</p> |
| <p style="text-align: center;">Chapter 3 General Meeting of Unitholders</p> <p>Article 15 (Record Date, etc.) (New)</p> <p>1. Unitholders who are entitled to exercise their voting rights at the general meeting of unitholders shall be the unitholders stated or recorded in the final register of unitholders as of the record date that <u>MID REIT</u> determined by resolution of the board of directors and gave public notice in advance in accordance with laws and regulations.</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> | <p style="text-align: center;">Chapter 3 General Meeting of Unitholders</p> <p>Article 15 (Record Date, etc.)</p> <p>1. <u>In the case where MCUBS MidCity is to hold the general meeting of unitholders with a date that is within three months of the most recent settlement of accounts (defined in Article 33; the same hereafter) as the date of the general meeting of unitholders, the unitholders stated or recorded in the final register of unitholders as of the concerned settlement of accounts shall be the unitholders who are entitled to exercise their voting rights at that general meeting of unitholders.</u></p> <p>2. <u>Notwithstanding the provisions of the preceding paragraph,</u> unitholders who are entitled to exercise their voting rights at the general meeting of unitholders shall be the unitholders stated or recorded in the final register of unitholders as of the record date that <u>MCUBS MidCity</u> determined by resolution of the board of directors and gave public notice in advance in accordance with laws and regulations.</p> <p>3. (No change)</p> <p>4. (No change)</p> |

| Existing Articles of Incorporation | Proposed Amendment |
|---|--|
| <p data-bbox="284 277 746 304">Chapter 7 Asset Management Target and Policy</p> <p data-bbox="240 353 528 380">Article 27 (Investment Stance)</p> <ol data-bbox="240 394 788 2022" style="list-style-type: none"> <li data-bbox="240 394 379 421">1. (Omitted) <li data-bbox="240 434 788 595">2. <u>MID REIT</u> shall target investment primarily in assets that have primarily real estate used as office buildings as the actual or underlying assets, and also invest in assets that have real estate of other uses as the actual or underlying assets. <li data-bbox="240 1682 788 1809">3. The investment region shall be focused on the <u>Osaka area (Osaka, Hyogo and Kyoto Prefectures)</u>, and also include the <u>Tokyo metropolitan area, as well as</u> government-designated cities and other major cities. <li data-bbox="240 1957 379 1984">4. (Omitted) <li data-bbox="240 1998 379 2024">5. (Omitted) | <p data-bbox="852 277 1315 304">Chapter 7 Asset Management Target and Policy</p> <p data-bbox="809 353 1096 380">Article 27 (Investment Stance)</p> <ol data-bbox="809 394 1356 2022" style="list-style-type: none"> <li data-bbox="809 394 963 421">1. (No change) <li data-bbox="809 434 1356 1671">2. <u>MCUBS MidCity</u> shall target investment primarily in assets that have primarily real estate used as office buildings as the actual or underlying assets, and also invest in assets that have real estate of other uses <u>(excluding commercial properties (a property where the floor area used for retail purposes is the largest among other floor areas for each use, or such asset backed by that property; the same hereafter) and industrial properties (logistics facilities (a property where the floor area used as a facility for business-to-business logistics operations and sales logistics operations, which consist of each function of transportation, shipping, storage, stock, cargo, packing, assortment, distributive processing and providing information is the largest among other floor areas for each use, or such asset backed by that property), plants and research and development facilities (a property where the floor area used as a facility for research and development, raw material procurement and stock, storage, manufacture and production, assembly and processing, recycling, etc. is the largest among other floor areas for each use, or such asset backed by that property), infrastructure facilities (a property where the floor area used as a facility developed as a base of industrial activity such as traffic, communications, energy, water service, public facilities, etc. is the largest among other floor areas for each use, or such asset backed by that property) and data centers (a property where the floor area used for a facility in which server and data communication equipment, etc. are installed and operated is the largest among other floor areas for each use, or such asset backed by that property); the same hereafter))</u> as the actual or underlying assets; <u>provided, however, that MCUBS MidCity may continue to target investment in the commercial properties held as at June 16, 2015.</u> <li data-bbox="809 1682 1356 1944">3. The investment region shall be focused on the <u>three major metropolitan areas (Tokyo metropolitan area (Tokyo, Kanagawa, Chiba and Saitama Prefectures), Osaka metropolitan area (Osaka, Kyoto and Hyogo Prefectures) and Nagoya metropolitan area (Aichi Prefecture))</u>, and also include the government-designated cities and other major cities <u>as well as abroad.</u> <li data-bbox="809 1957 963 1984">4. (No change) <li data-bbox="809 1998 963 2024">5. (No change) |

| Existing Articles of Incorporation | Proposed Amendment |
|---|---|
| <p>Article 28 (Type, Purpose and Scope of Assets for Asset Management)</p> <p>1. In accordance with the basic policy provided in Article 26, <u>MID REIT</u> shall invest in the specified assets listed below:</p> <p>(1) (Omitted)</p> <p>(2) The respective assets listed below (hereafter, referred collectively as the “real estate equivalents,” and real estate and real estate equivalents referred collectively as the “real estate, etc.”):</p> <p>① (Omitted)</p> <p>② (Omitted)</p> <p>③ Beneficiary interests of trusts that have real estate, real estate lease rights or superficies rights placed in trust (including comprehensive trusts that have such placed in trust together with monies in association with real estate)</p> <p>④ Beneficiary interests of monetary trusts, the purpose of which is to manage the trust properties as investments in primarily real estate, real estate lease rights or superficies rights</p> <p>⑤ Equity investment interests pertaining to agreements contracting one party to conduct equity investments for the other party to manage <u>(1) Real estate</u> or the assets listed in <u>(2) ①</u> to <u>④</u> and contracting the other party to manage those invested properties primarily as investment in the concerned assets and to distribute the earnings generating from such management (hereafter, the “silent partnership interests in real estate”)</p> <p>⑥ (Omitted)</p> <p>(New)</p> | <p>Article 28 (Type, Purpose and Scope of Assets for Asset Management)</p> <p>1. In accordance with the basic policy provided in Article 26 <u>and the investment stance provided in Article 27</u>, <u>MCUBS MidCity</u> shall invest in the specified assets listed below:</p> <p>(1) (No change)</p> <p>(2) The respective assets listed below (hereafter, referred collectively as the “real estate equivalents,” and real estate and real estate equivalents referred collectively as the “real estate, etc.”):</p> <p>① (No change)</p> <p>② (No change)</p> <p>③ Beneficiary interests of trusts that have real estate, real estate lease rights or superficies rights, <u>or these assets under laws and regulations of a foreign state</u>, placed in trust (including comprehensive trusts that have such placed in trust together with monies in association with real estate)</p> <p>④ Beneficiary interests of monetary trusts, the purpose of which is to manage the trust properties as investments in primarily real estate, real estate lease rights or superficies rights, <u>or these assets under laws and regulations of a foreign state</u></p> <p>⑤ Equity investment interests pertaining to agreements contracting one party to conduct equity investments for the other party to manage <u>real estate stipulated in the preceding item</u> or the assets listed in ① to <u>④ of this item</u> and contracting the other party to manage those invested properties primarily as investment in the concerned assets and to distribute the earnings generating from such management (hereafter, the “silent partnership interests in real estate”)</p> <p>⑥ (No change)</p> <p>⑦ <u>Real estate, real estate lease rights or superficies rights under laws and regulations of a foreign state, or beneficiary interests of trusts that have these assets placed in trust (including comprehensive trusts that have such placed in trust together with monies in association with real estate)</u></p> |

| Existing Articles of Incorporation | Proposed Amendment |
|--|--|
| <p>(New)</p> <p>(3) Those listed below, the purpose of which is to invest an amount that is more than 50% of the underlying assets in real estate, etc. (furthermore, where securities that indicate rights have not been issued, it shall include the rights that are to be indicated on those securities and, hereafter, referred collectively as the “real estate backed securities.” <u>In addition, real estate, etc. and real estate backed securities referred to collectively as the “real estate related assets.”</u>)</p> <p>① (Omitted)</p> <p>② (Omitted)</p> <p>③ (Omitted)</p> <p>④ Beneficiary securities of specific purpose trusts (those provided in the Asset Securitization Law (excluding those falling under the category of assets listed in (2), (3), (4) or (6) <u>above</u>))</p> <p>(New)</p> <p>2. In addition to the specified assets listed in the preceding paragraph, <u>MID REIT</u> shall invest in the specified assets listed below. Furthermore, where securities that indicate rights have not been issued, it shall include the rights that are to be indicated on those securities.</p> <p>(1) Specified assets listed below:</p> <p>① (Omitted)</p> <p>② (Omitted)</p> <p>③ (Omitted)</p> <p>④ (Omitted)</p> <p>⑤ (Omitted)</p> <p>(New)</p> <p>(New)</p> | <p>⑧ <u>Assets of a similar nature to the assets listed in (3) to (6) of this item that were formed in compliance with the laws and regulations of a foreign state</u></p> <p>(3) Those listed below, the purpose of which is to invest an amount that is more than 50% of the underlying assets in real estate, etc. (furthermore, where securities that indicate rights have not been issued, it shall include the rights that are to be indicated on those securities and, hereafter, referred collectively as the “real estate backed securities.” <u>in addition, real estate, etc. and real estate backed securities referred to collectively as the “real estate related assets.”</u>)</p> <p>① (No change)</p> <p>② (No change)</p> <p>③ (No change)</p> <p>④ Beneficiary securities of specific purpose trusts (those provided in the Asset Securitization Law (excluding those falling under the category of <u>the</u> assets listed in (3), (4) or (6) <u>of the preceding item</u>))</p> <p>⑤ <u>Assets of a similar nature to the assets listed in (1) or (4) of this item that were formed in compliance with the laws and regulations of a foreign state</u></p> <p>2. <u>In accordance with the basic policy provided in Article 26 and the investment stance provided in Article 27, in addition to the specified assets listed in the preceding paragraph, <u>MCUBS MidCity</u> shall invest in the specified assets listed below. Furthermore, where securities that indicate rights have not been issued, it shall include the rights that are to be indicated on those securities.</u></p> <p>(1) Specified assets listed below:</p> <p>① (No change)</p> <p>② (No change)</p> <p>③ (No change)</p> <p>④ (No change)</p> <p>⑤ (No change)</p> <p>⑥ <u>Renewable energy power generation facilities (those provided in the Order for Enforcement of the ITL)</u></p> <p>⑦ <u>Rights to operate a public facility, etc. (those provided in the Order for Enforcement of the ITL)</u></p> |

| Existing Articles of Incorporation | Proposed Amendment |
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| <p>(New)</p> <p>(2) (Omitted)</p> <p>3. In addition to the specified assets provided in Paragraph 1 and Paragraph 2, <u>MID REIT</u> may invest in the specified assets listed below; provided, however, that the cases where investment can be made shall be cases where it is recognized to be necessary or useful for the basic policy of asset management provided in Article 26 or cases where it is recognized to be necessary or useful for operating the <u>MID REIT</u> organization.</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>(3) (Omitted)</p> <p>(4) Movables under the Civil Code (provided, however, that it shall be limited to facilities, fixtures and those other that are added to real estate in terms of structure or in terms of use)</p> <p>(5) (Omitted)</p> <p>(6) (Omitted)</p> <p>(New)</p> <p><u>(7)</u> In addition to <u>(1) to (6) above</u>, other rights of which acquisition is necessary or useful in association with investment in real estate, etc. or real estate backed securities</p> | <p><u>⑧</u> <u>Shares issued and outstanding of a corporation holding overseas real estate (meaning the corporation stipulated in Article 221-2, Paragraph 1 of the Ordinance for Enforcement of the Law Concerning Investment Trusts and Investment Corporations (hereafter, the “Ordinance for Enforcement of the IIT.”)) (limited to the shares issued and outstanding acquired in a number exceeding the number obtained by multiplying the total number of the shares issued and outstanding (excluding the corporation holding overseas real estate’s own shares held) by the rate stipulated in Article 221 of the Ordinance for Enforcement of the IIT)</u></p> <p>(2) (No change)</p> <p>3. In addition to the specified assets provided in Paragraph 1 and Paragraph 2, <u>MCUBS MidCity</u> may invest in the specified assets listed below; provided, however, that the cases where investment can be made shall be cases where it is recognized to be necessary or useful for the basic policy of asset management provided in Article 26 or cases where it is recognized to be necessary or useful for operating the <u>MCUBS MidCity</u> organization.</p> <p>(1) (No change)</p> <p>(2) (No change)</p> <p>(3) (No change)</p> <p>(4) Movables under the Civil Code (provided, however, <u>that it shall exclude the assets listed in Item 1⑥ of the preceding paragraph and</u> that it shall be limited to facilities, fixtures and those other that are added to real estate in terms of structure or in terms of use)</p> <p>(5) (No change)</p> <p>(6) (No change)</p> <p><u>(7) Assets of a similar nature to the assets listed in Item 3 or Item 5 that were formed in compliance with the laws and regulations of a foreign state</u></p> <p><u>(8)</u> In addition to <u>those listed in the preceding items</u>, other rights of which acquisition is necessary or useful in association with investment in real estate, etc. or real estate backed securities</p> |

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| <p>Article 29 (Investment Restrictions)</p> <ol style="list-style-type: none"> 1. (Omitted) 2. The rights pertaining to derivative transactions listed in Paragraph 2, Item 2 of the preceding article shall be limited to management for the purpose of hedging interest rate fluctuation risks <u>and other risks</u> arising from liabilities pertaining to <u>MID REIT</u>. | <p>Article 29 (Investment Restrictions)</p> <ol style="list-style-type: none"> 1. (No change) 2. The rights pertaining to derivative transactions listed in Paragraph 2, Item 2 of the preceding article shall be limited to management for the purpose of hedging interest rate fluctuation risks arising from liabilities pertaining to <u>MCUBS MidCity, exchange risks related to assets held by MCUBS MidCity and other risks.</u> |
| <p>Article 30 (Purpose and Scope, etc. of Loan of Portfolio Assets)</p> <ol style="list-style-type: none"> 1. (Omitted) 2. Upon the leasing of real estate in the preceding paragraph, <u>MID REIT</u> may receive or pay deposits and guarantees, as well as other cash similar thereto, and manage any such cash pursuant to <u>MID REIT</u>'s basic policy of asset management and investment stance, as well as other provisions. 3. (Omitted) 4. (Omitted) | <p>Article 30 (Purpose and Scope, etc. of Loan of Portfolio Assets)</p> <ol style="list-style-type: none"> 1. (No change) 2. Upon the leasing of real estate in the preceding paragraph, <u>MCUBS MidCity</u> may receive or pay deposits and guarantees, as well as other cash similar thereto, and manage any such cash pursuant to <u>MCUBS MidCity</u>'s basic policy of asset management and investment stance, as well as other provisions. 3. (No change) 4. (No change) |
| <p>Article 32 (Methods, Standards and Record Date of Asset Valuation)</p> <ol style="list-style-type: none"> 1. The methods and standards of asset valuation of <u>MID REIT</u> shall be provided for every type of assets under management as follows, in accordance with the “Regulations Concerning Accounting of Investment Corporations,” the “Rules Concerning Real Estate Investment Trusts and Real Estate Investment Corporations” established by The Investment Trusts Association, Japan, a general incorporated association, other rules provided by the Association, and generally accepted corporate accounting principles. <ol style="list-style-type: none"> (1) Real estate, real estate lease rights and superficies rights (those provided in Article 28, Paragraph 1, Item 1, Item 2① <u>or</u> Item 2②) | <p>Article 32 (Methods, Standards and Record Date of Asset Valuation)</p> <ol style="list-style-type: none"> 1. The methods and standards of asset valuation of <u>MCUBS MidCity</u> shall be provided for every type of assets under management as follows, in accordance with the “Regulations Concerning Accounting of Investment Corporations,” the “Rules Concerning Real Estate Investment Trusts and Real Estate Investment Corporations” established by The Investment Trusts Association, Japan, a general incorporated association, other rules provided by the Association, and generally accepted corporate accounting principles <u>and practices.</u> <ol style="list-style-type: none"> (1) Real estate, real estate lease rights and superficies rights (<u>of</u> those provided in Article 28, Paragraph 1, Item 1, Item 2①, <u>Item 2②, or Item 2⑦,</u> those falling under the following) |

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| <p>Valuation shall be in the value arrived at when accumulated depreciation is deducted from the acquisition value. Furthermore, the method of estimation of depreciation shall be estimation based on the straight-line method for the buildings portion and facilities, etc. portion; provided, however, that in the case where estimation based on the straight-line method is no longer appropriate due to justifiable grounds and also limited to the case where reasonable judgment can be made that there are no problems in terms of investor protection, change to another method of estimation shall be acceptable.</p> <p>(2) Beneficiary interests of trusts that have real estate, real estate lease rights or superficies rights placed in trust (those provided in Article 28, Paragraph 1, Item 2③)</p> <p>Valuation shall be in the value that estimates the amount equivalent to the interests of the concerned beneficiary interests of trusts by deducting the amount of liabilities from the sum total amount of the trust properties that, in the case of assets listed in (1), shall be based on valuation in accordance with (1), and, in the case of financial assets, shall be based on valuation in accordance with generally accepted corporate accounting principles.</p> <p>(3) Beneficiary interests of monetary trusts, the purpose of which is to manage the trust properties as investments in primarily real estate, real estate lease rights or superficies rights (those provided in Article 28, Paragraph 1, Item 2④)</p> <p>Valuation shall be in the value that estimates the amount equivalent to the interests of the concerned beneficiary interests of trusts by deducting the amount of liabilities from the sum total amount of the assets comprising the trust properties that, in the case of assets listed in (1), shall be based on valuation in accordance with (1), and, in the case of financial assets, shall be based on valuation in accordance with generally accepted corporate accounting principles.</p> | <p>Valuation shall be in the value arrived at when accumulated depreciation is deducted from the acquisition value. Furthermore, the method of estimation of depreciation shall be estimation based on the straight-line method for the buildings portion and facilities, etc. portion; provided, however, that in the case where estimation based on the straight-line method is no longer appropriate due to justifiable grounds and also limited to the case where reasonable judgment can be made that there are no problems in terms of investor protection, change to another method of estimation shall be acceptable.</p> <p>(2) Beneficiary interests of trusts that have real estate, real estate lease rights or superficies rights placed in trust (of those provided in Article 28, Paragraph 1, Item 2③, <u>Item 2⑦ or Item 2⑧, those falling under the following</u>)</p> <p>Valuation shall be in the value that estimates the amount equivalent to the interests of the concerned beneficiary interests of trusts by deducting the amount of liabilities from the sum total amount of the trust properties that, in the case of assets listed in <u>the preceding item</u>, shall be based on valuation in accordance with <u>the preceding item</u>, and, in the case of financial assets, shall be based on valuation in accordance with generally accepted corporate accounting principles <u>and practices</u>.</p> <p>(3) Beneficiary interests of monetary trusts, the purpose of which is to manage the trust properties as investments in primarily real estate, real estate lease rights or superficies rights (of those provided in Article 28, Paragraph 1, Item 2 <u>④ or Item 2⑧, those falling under the following</u>)</p> <p>Valuation shall be in the value that estimates the amount equivalent to the interests of the concerned beneficiary interests of trusts by deducting the amount of liabilities from the sum total amount of the assets comprising the trust properties that, in the case of assets listed in <u>Item 1</u>, shall be based on valuation in accordance with <u>that item</u>, and, in the case of financial assets, shall be based on valuation in accordance with generally accepted corporate accounting principles <u>and practices</u>.</p> |

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| <p>(4) Silent partnership interests in real estate (those provided in Article 28, Paragraph 1, Item 2^⑤)</p> <p>Valuation shall be in the value that estimates the amount equivalent to the interests of the concerned equity investment in silent partnership by deducting the amount of liabilities from the sum total amount of the assets comprising the silent partnership interests that, in the case of assets listed in <u>(1) to (3)</u>, shall be based on valuation in accordance with the methods provided for each, and, in the case of financial assets, shall be based on valuation in accordance with generally accepted corporate accounting principles.</p> <p>(5) Beneficiary interests of monetary trusts, the purpose of which is to manage the trust properties as investments in primarily silent partnership interests in real estate (those provided in Article 28, Paragraph 1, Item 2^⑥)</p> <p>Valuation shall be in the value that estimates the amount equivalent to the interests of the concerned beneficiary interests of trusts by deducting the amount of liabilities from the sum total amount of the silent partnership interests that are the trust properties that shall be based on valuation in accordance with <u>(4)</u>, and, in the case of financial assets, shall be based on valuation in accordance with generally accepted corporate accounting principles.</p> <p>(6) (Omitted)</p> <p>(7) (Omitted)</p> <p>(8) (Omitted)</p> <p>(9) Beneficiary interests of monetary trusts (those provided in Article 28, Paragraph 2, Item 1^⑤)</p> <p>Valuation shall be based on the sum total amount of the assets comprising the trust properties that, in the case of assets listed in <u>(6) to (8) or (11)</u>, shall be based on valuation in accordance with the methods provided for each.</p> <p>(10) (Omitted)</p> <p>① (Omitted)</p> <p>② (Omitted)</p> | <p>(4) Silent partnership interests in real estate (<u>of</u> those provided in Article 28, Paragraph 1, Item 2^⑤ <u>or</u> Item 2^⑧), those falling under the <u>following</u>)</p> <p>Valuation shall be in the value that estimates the amount equivalent to the interests of the concerned equity investment in silent partnership by deducting the amount of liabilities from the sum total amount of the assets comprising the silent partnership interests that, in the case of assets listed in <u>the preceding items</u>, shall be based on valuation in accordance with the methods provided for each, and, in the case of financial assets, shall be based on valuation in accordance with generally accepted corporate accounting principles <u>and practices</u>.</p> <p>(5) Beneficiary interests of monetary trusts, the purpose of which is to manage the trust properties as investments in primarily silent partnership interests in real estate (<u>of</u> those provided in Article 28, Paragraph 1, Item 2^⑥ <u>or</u> Item 2^⑧), those falling under the <u>following</u>)</p> <p>Valuation shall be in the value that estimates the amount equivalent to the interests of the concerned beneficiary interests of trusts by deducting the amount of liabilities from the sum total amount of the silent partnership interests that are the trust properties that shall be based on valuation in accordance with <u>the preceding item</u>, and, in the case of financial assets, shall be based on valuation in accordance with generally accepted corporate accounting principles <u>and practices</u>.</p> <p>(6) (No change)</p> <p>(7) (No change)</p> <p>(8) (No change)</p> <p>(9) Beneficiary interests of monetary trusts (those provided in Article 28, Paragraph 2, Item 1^⑤)</p> <p>Valuation shall be based on the sum total amount of the assets comprising the trust properties that, in the case of assets listed in <u>Item 6 to Item 8 or Item 11</u>, shall be based on valuation in accordance with the methods provided for each.</p> <p>(10) (No change)</p> <p>① (No change)</p> <p>② (No change)</p> |

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| <p>③ Hedge accounting shall be applicable to those that are recognized to be hedge transactions under generally accepted corporate accounting principles. In addition, special treatment for interest rate swaps shall be applicable to those that meet the requirements for special treatment for interest rate swaps provided in the Accounting Standard for Financial Instruments.</p> <p>(11) Other In cases where there are no provisions above, valuation shall be in the amount of valuation given in accordance with the IITL and valuation rules of The Investment Trusts Association, Japan, a general incorporated association or the amount of valuation given in accordance with generally accepted corporate accounting principles.</p> <p>2. (Omitted)</p> <p>(1) (Omitted)</p> <p>(2) Beneficiary interests of trusts that have real estate, real estate lease rights or superficies rights placed in trust, and silent partnership interests in real estate</p> <p>Valuation shall be in the value that estimates the amount equivalent to the interests of the concerned equity investment in silent partnership or the amount equivalent to the interests of the concerned trust beneficiary interests by deducting the amount of liabilities from the sum total amount of the trust properties or assets comprising the silent partnership that, in the case of assets listed in (1), shall be based on valuation in accordance with the preceding item, and, in the case of financial assets, shall be based on valuation in accordance with generally accepted corporate accounting principles</p> <p>(3) (Omitted)</p> | <p>③ Hedge accounting shall be applicable to those that are recognized to be hedge transactions under generally accepted corporate accounting principles <u>and practices</u>. In addition, special treatment for interest rate swaps shall be applicable to those that meet the requirements for special treatment for interest rate swaps provided in the Accounting Standard for Financial Instruments.</p> <p>(11) Other In cases where there are no provisions above, valuation shall be in the amount of valuation given in accordance with the IITL and valuation rules of The Investment Trusts Association, Japan, a general incorporated association or the amount of valuation given in accordance with generally accepted corporate accounting principles <u>and practices</u>.</p> <p>2. (No change)</p> <p>(1) (No change)</p> <p>(2) Beneficiary interests of trusts that have real estate, real estate lease rights or superficies rights placed in trust, and silent partnership interests in real estate</p> <p>Valuation shall be in the value that estimates the amount equivalent to the interests of the concerned equity investment in silent partnership or the amount equivalent to the interests of the concerned trust beneficiary interests by deducting the amount of liabilities from the sum total amount of the trust properties or assets comprising the silent partnership that, in the case of assets listed in <u>the preceding item</u>, shall be based on valuation in accordance with the preceding item, and, in the case of financial assets, shall be based on valuation in accordance with generally accepted corporate accounting principles <u>and practices</u></p> <p>(3) (No change)</p> |

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| <p>Article 34 (Cash Distribution Policy)</p> <p>1. (Omitted)</p> <p>(1) Of the total amount of cash to be distributed to unitholders, the amount of earnings (the amount arrived at when the sum total amount of unitholders' capital, capital surplus and valuation and translation adjustments is deducted from the amount of net assets as stated on the balance sheets of <u>MID REIT</u> as stipulated in the ITL; the same hereafter) shall be calculated in accordance with generally accepted corporate accounting principles.</p> <p>(2) (Omitted)</p> <p>(3) (Omitted)</p> <p>(4) In cases where it is necessary to meet the requirements for special provisions for taxation pertaining to investment corporations <u>and</u> other cases where it is recognized to be appropriate by the board of directors in light of the economic environment, real estate market, leasing market and other trends, <u>MID REIT</u> shall be able to distribute to unitholders cash in excess of earnings based on statements pertaining to cash distributions approved pursuant to the ITL. In cases where <u>MID REIT</u> is to distribute cash in excess of earnings, it can distribute the amount arrived at when the amount decided by <u>MID REIT</u> is added to the amount of earnings pertaining to the relevant business period as long as the arrived at amount is no more than the amount stipulated under laws and regulations, etc. (including rules, etc. provided by The Investment Trusts Association, Japan, a general incorporated association); provided, however, that in cases where the concerned amount does not meet the requirements for special provisions for taxation pertaining to investment corporations, <u>MID REIT</u> shall be able to distribute cash in an amount determined by the board of directors for the purpose of meeting those requirements.</p> <p>(5) (Omitted)</p> <p>(6) (Omitted)</p> <p>2. (Omitted)</p> | <p>Article 34 (Cash Distribution Policy)</p> <p>1. (No change)</p> <p>(1) Of the total amount of cash to be distributed to unitholders, the amount of earnings (the amount arrived at when the sum total amount of unitholders' capital, capital surplus and valuation and translation adjustments is deducted from the amount of net assets as stated on the balance sheets of <u>MCUBS MidCity</u> as stipulated in the ITL; the same hereafter) shall be calculated in accordance with generally accepted corporate accounting principles <u>and practices</u>.</p> <p>(2) (No change)</p> <p>(3) (No change)</p> <p>(4) In cases where it is necessary to meet the requirements for special provisions for taxation pertaining to investment corporations <u>or in</u> cases where it is recognized to be appropriate by the board of directors <u>for reduction of the tax burden on MCUBS MidCity or otherwise</u> in light of the economic environment, real estate market, leasing market and other trends, <u>MCUBS MidCity</u> shall be able to distribute to unitholders cash in excess of earnings based on statements pertaining to cash distributions approved pursuant to the ITL. In cases where <u>MCUBS MidCity</u> is to distribute cash in excess of earnings, it can distribute the amount arrived at when the amount decided by <u>MCUBS MidCity</u> is added to the amount of earnings pertaining to the relevant business period as long as the arrived at amount is no more than the amount stipulated under laws and regulations, etc. (including rules, etc. provided by The Investment Trusts Association, Japan, a general incorporated association); provided, however, that in cases where the concerned amount does not meet the requirements for special provisions for taxation pertaining to investment corporations, <u>MCUBS MidCity</u> shall be able to distribute cash in an amount determined by the board of directors for the purpose of meeting those requirements.</p> <p>(5) (No change)</p> <p>(6) (No change)</p> <p>2. (No change)</p> |

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| <p>Article 35 (Maximum Amount, etc. of Loans and Investment Corporation Bonds Issuance)</p> <p>1. In view of contributing to steady growth, as well as efficient management and stability of management, of assets under management, for the purpose of acquiring assets, paying for repairs or distributions and financing the funds required for operating <u>MID REIT</u> or funds for repaying obligations (including repaying deposits and guarantees, as well as repaying obligations of loans and investment corporation bonds (including short-term investment corporation bonds; the same hereafter)), etc., <u>MID REIT</u> shall be able to borrow funds (including via the call market) or issue investment corporation bonds. Furthermore, in the case of borrowing of funds, <u>MID REIT</u> shall be limited to borrowing from qualified institutional investors stipulated in the Financial Instruments and Exchange Law (provided, however, that this shall be limited to institutional investors provided in Article 67-15 of the Special Taxation Measures Law).</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> | <p>Article 35 (Maximum Amount, etc. of Loans and Investment Corporation Bonds Issuance)</p> <p>1. In view of contributing to steady growth, as well as efficient management and stability of management, of assets under management, for the purpose of acquiring assets, paying for repairs or distributions and financing the funds required for operating <u>MCUBS MidCity</u> or funds for repaying obligations (including repaying deposits and guarantees, as well as repaying obligations of loans and investment corporation bonds (including short-term investment corporation bonds; the same hereafter)), etc., <u>MCUBS MidCity</u> shall be able to borrow funds (including via the call market) or issue investment corporation bonds. Furthermore, in the case of borrowing of funds, <u>MCUBS MidCity</u> shall be limited to borrowing from qualified institutional investors stipulated in the Financial Instruments and Exchange Law (provided, however, that this shall be limited to institutional investors provided in Article 67-15 of the Special Taxation Measures Law).</p> <p>2. (No change)</p> <p>3. (No change)</p> |
| <p>Article 36 (Standards of Payment of Asset Management Fees to Asset Management Company)</p> <p>(Omitted)</p> <p>(1) Management Fee I</p> <p>The amount arrived at when the total assets amount on balance sheets (limited to those approved pursuant to Article 131 of the IITL) at the most recent settlement of accounts of <u>MID REIT</u> is multiplied by a rate of no more than 0.2% (rounded down to the nearest yen) shall be Management Fee I.</p> <p>Management Fee I shall be paid no later than three months after the settlement of accounts pertaining to the relevant business period of the investment corporation.</p> | <p>Article 36 (Standards of Payment of Asset Management Fees to Asset Management Company)</p> <p>(No change)</p> <p>(1) Management Fee I</p> <p>The amount arrived at when the total assets amount on balance sheets (limited to those approved pursuant to Article 131 of the IITL) at the most recent settlement of accounts of <u>MCUBS MidCity</u> is multiplied by a rate <u>separately agreed upon by MCUBS MidCity and the asset management company</u> of no more than 0.2% (rounded down to the nearest yen) shall be Management Fee I.</p> <p>Management Fee I shall be paid no later than three months after the settlement of accounts pertaining to the relevant business period of the investment corporation.</p> |

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| <p>(2) Management Fee II</p> <p>The amount arrived at when the distributable amount before deduction of Management Fee II estimated for each of the respective business periods of <u>MID REIT</u> is multiplied by a rate of no more than 5.0% (rounded down to the nearest yen) shall be Management Fee II. Furthermore, when there is loss brought forward in income before income taxes calculated in compliance with generally accepted corporate accounting principles in Japan, “distributable amount” shall mean the amount after compensating for such amount.</p> <p>Management Fee II shall be paid no later than three months after the settlement of accounts pertaining to the relevant business period of <u>MID REIT</u>.</p> <p>(3) Management Fee III</p> <p>In the event that <u>MID REIT</u> newly acquires real estate, etc. (including real estate underlying beneficiary interests of trusts and other assets; the same hereafter), the amount arrived at when the acquisition value of the concerned real estate, etc. (however, excluding consumption tax and local consumption tax, as well as expenses, etc. associated with the acquisition) is multiplied by a rate of no more than 1.0% (rounded down to the nearest yen) shall be Management Fee III; provided, however, that in the event that <u>MID REIT</u> acquires from sponsor related parties stipulated in the asset management agreement concluded with the asset management company (hereafter, the “sponsor related parties”), the amount arrived at when the acquisition value of the concerned real estate, etc. is multiplied by a rate of no more than 0.5% (rounded down to the nearest yen) shall be Management Fee III.</p> <p>Management Fee III shall be paid by the last day of the month following the month in which the date on which the acquisition of the concerned real estate, etc. is made (the date that the transfer of ownership and other transfer of rights takes effect) falls.</p> | <p>(2) Management Fee II</p> <p>The amount arrived at when the distributable amount before deduction of Management Fee II estimated for each of the respective business periods of <u>MCUBS MidCity</u> is multiplied by a rate <u>separately agreed upon by MCUBS MidCity and the asset management company</u> of no more than 5.0% (rounded down to the nearest yen) shall be Management Fee II. Furthermore, when there is loss brought forward in income before income taxes calculated in compliance with generally accepted corporate accounting principles <u>and practices</u> in Japan, “distributable amount” shall mean the amount after compensating for such amount.</p> <p>Management Fee II shall be paid no later than three months after the settlement of accounts pertaining to the relevant business period of <u>MCUBS MidCity</u>.</p> <p>(3) Management Fee III</p> <p>In the event that <u>MCUBS MidCity</u> newly acquires real estate, etc. (including real estate underlying beneficiary interests of trusts and other assets; the same hereafter), the amount arrived at when the acquisition value of the concerned real estate, etc. (however, excluding consumption tax and local consumption tax, as well as expenses, etc. associated with the acquisition) is multiplied by a rate <u>separately agreed upon by MCUBS MidCity and the asset management company</u> of no more than 1.0% (rounded down to the nearest yen) shall be Management Fee III; provided, however, that in the event that <u>MCUBS MidCity</u> acquires from sponsor related parties stipulated in the asset management agreement concluded with the asset management company (hereafter, the “sponsor related parties”), the amount arrived at when the acquisition value of the concerned real estate, etc. is multiplied by a rate <u>separately agreed upon by MCUBS MidCity and the asset management company</u> of no more than 0.5% (rounded down to the nearest yen) shall be Management Fee III.</p> <p>Management Fee III shall be paid by the last day of the month following the month in which the date on which the acquisition of the concerned real estate, etc. is made (the date that the transfer of ownership and other transfer of rights takes effect) falls.</p> |

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| <p>(4) Management Fee IV</p> <p>In the event that <u>MID REIT</u> transfers real estate, etc. that are assets under management, the amount arrived at when the transfer value of the concerned real estate, etc. (however, excluding consumption tax and local consumption tax, as well as expenses, etc. associated with the transfer) is multiplied by a rate of no more than 1.0% (rounded down to the nearest yen) shall be Management Fee IV; provided, however, that in the event that <u>MID REIT</u> transfers to sponsor related parties, the amount arrived at when the transfer value of the concerned real estate, etc. is multiplied by a rate of no more than 0.5% (rounded down to the nearest yen) shall be Management Fee IV.</p> <p>Management Fee IV shall be paid by the last day of the month following the month in which the date on which the transfer of the concerned real estate, etc. is made (the date that the transfer of ownership and other transfer of rights takes effect) falls.</p> <p>Article 38 (Burden of Various Expenses)</p> <ol style="list-style-type: none"> 1. <u>MID REIT</u> shall be liable for taxes concerning assets under management; various expenses required by <u>MID REIT</u>'s general administrators, <u>MID REIT</u>'s asset custodian and the asset management company for carrying out administration entrusted from <u>MID REIT</u>; and, in cases where <u>MID REIT</u> is billed for penalty interest on advances paid or damages paid by those general administrators, the asset custodian and the asset management company for <u>MID REIT</u>, the concerned penalty interest or damages. 2. (Omitted) <p>Chapter 9 Supplementary Provision</p> <p>Article 41 (Effectiveness of Amendment)</p> <p><u>Amendment pertaining to the new establishment of Article 5, Paragraph 2 will take effect on the enforcement date of the revision of the Investment Trust Act that approve investment corporations to acquire their investment units for value through agreement with their unitholders.</u></p> | <p>(4) Management Fee IV</p> <p>In the event that <u>MCUBS MidCity</u> transfers real estate, etc. that are assets under management, the amount arrived at when the transfer value of the concerned real estate, etc. (however, excluding consumption tax and local consumption tax, as well as expenses, etc. associated with the transfer) is multiplied by a rate <u>separately agreed upon by MCUBS MidCity and the asset management company</u> of no more than 1.0% (rounded down to the nearest yen) shall be Management Fee IV; provided, however, that in the event that <u>MCUBS MidCity</u> transfers to sponsor related parties, the amount arrived at when the transfer value of the concerned real estate, etc. is multiplied by a rate <u>separately agreed upon by MCUBS MidCity and the asset management company</u> of no more than 0.5% (rounded down to the nearest yen) shall be Management Fee IV.</p> <p>Management Fee IV shall be paid by the last day of the month following the month in which the date on which the transfer of the concerned real estate, etc. is made (the date that the transfer of ownership and other transfer of rights takes effect) falls.</p> <p>Article 38 (Burden of Various Expenses)</p> <ol style="list-style-type: none"> 1. <u>MCUBS MidCity</u> shall be liable for taxes concerning assets under management; various expenses required by <u>MCUBS MidCity</u>'s general administrators, <u>MCUBS MidCity</u>'s asset custodian and the asset management company for carrying out administration entrusted from <u>MCUBS MidCity</u>; and, in cases where <u>MCUBS MidCity</u> is billed for penalty interest on advances paid or damages paid by those general administrators, the asset custodian and the asset management company for <u>MCUBS MidCity</u>, the concerned penalty interest or damages. 2. (No change) <p>Chapter 9 Supplementary Provision</p> <p>Article 41 (Effectiveness of Amendment)</p> <p><u>Amendment of the provisions of Article 3 shall become effective on the head office relocation date that is decided at a meeting of the board of directors to be held by December 31, 2015. Furthermore, this chapter shall be deleted on the concerned head office relocation date.</u></p> |

All other references to “MID REIT” in the existing Articles of Incorporation in English will be changed to “MCUBS MidCity.”

Proposal No. 2 Appointment of 1 Executive Director

Tomoyuki Goto has requested to resign as executive director, effective upon the conclusion of the general meeting of unitholders. Therefore, MID REIT requests the new appointment of one executive director. In this proposal, pursuant to the provisions of the main clause of Article 17, Paragraph 2 of the existing Articles of Incorporation, the term of office of the executive director shall be two years from the date of appointment of June 16, 2015.

Please note that resolution has been passed to submit this proposal for appointment of the executive director to the general meeting of unitholders with the unanimous consent of the supervisory directors at the meeting of the board of directors held on May 13, 2015.

The candidate for executive director is as follows.

| Name (Date of Birth) | Major Career Milestones | |
|-------------------------------------|--|---|
| Katsura Matsuo (May 17, 1964) | April 1989 | Joined Mitsubishi Corporation, Development & Construction Dept. |
| | April 1996 | Housing Development Dept., Mitsubishi Corporation |
| | March 2004 | Real Estate Securitization Dept., Mitsubishi Corporation |
| | April 2007 | Assistant to Group CEO Human Resource & Compliance Unit, Mitsubishi Corporation |
| | September 2009 | Urban Development Unit, Mitsubishi Corporation, Team Leader of Residential Team No. 1 |
| | October 2011 | Head of Asset Management, Retail Division, Mitsubishi Corp. - UBS Realty Inc. |
| April 2015 | President & CEO & Representative Director, MCUBS MidCity Inc. (current position) | |

- The candidate for executive director above does not hold any investment units of MID REIT.
- The candidate for executive director above is President & CEO & Representative Director of MCUBS MidCity Inc., which is the asset management company to which MID REIT entrusts the management of its assets. There is no other particular vested interest between the candidate for executive director above and MID REIT.

Proposal No. 3 Appointment of 1 Substitute Executive Director

To prepare for the potential absence of executive directors, or an insufficient number of directors as prescribed by law, MID REIT requests the appointment of one substitute executive director. In this proposal, the period that a resolution pertaining to the appointment of the substitute executive director remains in force shall be until expiry of the term of office of the executive director appointed by Proposal No. 2 pursuant to the provisions of Article 17, Paragraph 3 of the existing Articles of Incorporation.

In addition, MID REIT intends to allow the appointment of the substitute executive director to be revoked by resolution of the board of directors of MID REIT prior to the appointment.

Please note that resolution has been passed to submit this proposal for appointment of the substitute executive director to the general meeting of unitholders with the unanimous consent of the supervisory directors at the meeting of the board of directors held on May 13, 2015.

The candidate for substitute executive director is as follows.

| Name (Date of Birth) | Major Career Milestones | |
|------------------------------------|-------------------------|---|
| Naoki Suzuki (July 31, 1966) | April 1990 | Joined The Long-Term Credit Bank of Japan, Ltd, Ueno Branch |
| | October 1992 | Portfolio Management Division, Head Office, Equity Trading |
| | August 1994 | Seconded to LTCB and F&C Investment Management Co., Ltd. (U.K.), Portfolio Manager of Global Equity |
| | January 1998 | Director, Analyst, Japanese Equities, UBS Brinson Asset Management Co., Ltd |
| | July 2000 | Director, Head of Japan Small Cap Equity, Schroder Investment Management (Japan) Limited |
| | November 2007 | Managing Director and Founder, Lupus alpha Asia GmbH, Head of Tokyo Branch |
| | January 2012 | Head of Research Department, Mitsubishi Corp. - UBS Realty Inc. |
| | April 2015 | Deputy President & Representative Director, MCUBS MidCity Inc. (current position) |

- The candidate for substitute executive director above does not hold any investment units of MID REIT.
- The candidate for substitute executive director above is Deputy President & Representative Director of MCUBS MidCity Inc., which is the asset management company to which MID REIT entrusts the management of its assets. There is no other particular vested interest between the candidate for substitute executive director above and MID REIT.

Proposal No. 4 Appointment of 2 Supervisory Directors

Naohiro Taniguchi has requested to resign as supervisory director, effective upon the conclusion of the general meeting of unitholders. In addition, as a different date of expiry of the term of office from that of the executive director will result, Haruo Kitamura has requested to once resign as supervisory director, effective upon the conclusion of the general meeting of unitholders, in view of unifying these. Therefore, MID REIT requests the new appointment of two supervisory directors. In this proposal, pursuant to the provisions of the main clause of Article 17, Paragraph 2 of the existing Articles of Incorporation, the term of office of the supervisory directors shall be two years from the date of appointment of June 16, 2015.

The candidates for supervisory director are as follows.

| Candidate No. | Name (Date of Birth) | Major Career Milestones | |
|---------------|---|-------------------------|--|
| 1 | Haruo Kitamura (August 21, 1958) | September 1983 | Joined Arthur Andersen Konin Kaikeishi Kyodo Jimusho (now KPMG AZSA LLC) |
| | | March 1987 | Registered as certified public accountant |
| | | May 1994 | Partner, Asahi & Co. (now KPMG AZSA LLC) |
| | | December 1996 | Director, Asahi Arthur Andersen Ltd. |
| | | June 2000 | Senior Partner, Asahi & Co. (now KPMG AZSA LLC) |
| | | August 2002 | Established Kitamura Certified Public Accountant Office Chief, Kitamura Certified Public Accountant Office (current position) |
| | | February 2003 | Representative Director, Charles's Wain Consulting Co., Ltd. (now CerWin Consulting K.K.) (current position) |
| | | June 2004 | Corporate Auditor (part-time), ROHM Co., Ltd. (current position) |
| | | December 2005 | Director (part-time), Sumisho Grainger Co., Ltd. (now MonotaRO Co., Ltd.) (current position) |
| | | May 2006 | Supervisory Director, MID REIT, Inc. (current position) |
| | | June 2009 | Corporate Auditor (part-time), Yamaha Corporation |
| June 2010 | Director (part-time), Yamaha Corporation (current position) | | |
| 2 | Osamu Ito (August 4, 1962) | April 1998 | Registered as attorney Joined Toranomom Chuo Law Firm |
| | | April 2005 | Partner, Toranomom Chuo Law Firm |
| | | April 2015 | Joined United Fuso Law Office Partner, United Fuso Law Office (current position) |

- The candidate for supervisory director above, Haruo Kitamura, is Chief of Kitamura Certified Public Accountant Office.
- The candidate for supervisory director above, Osamu Ito, is Partner of United Fuso Law Office.
- The candidates for supervisory director above do not hold any investment units of MID REIT.
- There is no particular vested interest between the candidates for supervisory director above and MID REIT.
- The candidate for supervisory director above, Haruo Kitamura, currently supervises all aspects of the execution of duties by the executive director of MID REIT as supervisory director of MID REIT.

Proposal No. 5 Appointment of 1 Substitute Supervisory Director

To prepare for the potential absence of supervisory directors, or an insufficient number of directors as prescribed by law, MID REIT requests the appointment of one substitute supervisory director. In this proposal, the period that a resolution pertaining to the appointment of the substitute supervisory director remains in force shall be until expiry of the term of office of the supervisory directors appointed by Proposal No. 4 pursuant to the provisions of Article 17, Paragraph 3 of the existing Articles of Incorporation.

In addition, MID REIT intends to allow the appointment of the substitute supervisory director to be revoked by resolution of the board of directors of MID REIT prior to the appointment.

The candidate for substitute supervisory director is as follows.

| Name (Date of Birth) | Major Career Milestones | |
|--------------------------------------|-------------------------|---|
| Yonetaro Ori (October 5, 1946) | March 1969 | Joined Price Waterhouse & Company |
| | June 1972 | Registered as certified public accountant |
| | April 1981 | Joined Price Waterhouse GmbH |
| | April 1985 | Joined Aoyama Audit Corporation |
| | July 1987 | Partner, Price Waterhouse Tax Office |
| | July 1987 | Director, Price Waterhouse Consultants Co., Ltd. |
| | July 1999 | Partner, PricewaterhouseCoopers Tax Office |
| | April 2002 | Partner, Zeirishi-Hojin ChuoAoyama (now Zeirishi-Hojin PricewaterhouseCoopers) |
| | October 2007 | Advisor, Zeirishi-Hojin PricewaterhouseCoopers |
| | January 2011 | President, Certified Public Accountant and Certified Public Tax Accountant Yonetaro Ori Office (current position) |

- The candidate for substitute supervisory director above is President of Certified Public Accountant and Certified Public Tax Accountant Yonetaro Ori Office.
- The candidate for substitute supervisory director above does not hold any investment units of MID REIT.
- There is no particular vested interest between the candidate for substitute supervisory director above and MID REIT.

Reference Matters

When there are proposals of conflicting purpose among the proposals submitted to the general meeting of unitholders, the provisions of “deemed approval” provided in Article 14, Paragraph 1 and Paragraph 2 of the Articles of Incorporation of MID REIT shall not apply to any of the conflicting proposals. Please note that none of the proposals of Proposal No. 1 to Proposal No. 5 above constitute a proposal of conflicting purpose.