

March 9, 2009

For Immediate Release

Real Estate Investment Trust Unit Issuer:
TOKYU REIT, Inc.
1-12-1, Dogenzaka,
Shibuya-ku, Tokyo, 150-0043, Japan
Masahiro Horie
Executive Director
(Securities Code: 8957)

Investment Management Company:
Tokyu Real Estate Investment Management Inc.
Representative:
Masahiro Horie
Representative Director & President, Chief Executive Officer
Inquiries:
Yosuke Koi
Senior Executive Officer,
Chief Financial Officer and General Manager, Investor Relations

**Notice Concerning Amendments to the Articles of Incorporation,
the Election of Directors**

TOKYU REIT, Inc. (“TOKYU REIT”) announced that the following resolution was passed concerning amendments to the Articles of Incorporation and the election of directors at the Board of Directors meeting held on March 9, 2009. These resolutions are subject to approval by the General Meeting of Unitholders of TOKYU REIT to be held on April 15, 2009.

1. Amendments to the Articles of Incorporation

- (1) In line with the implementation of the Law for Partial Amendments to the Securities and Exchange Law and the Law Concerning Coordination, Etc., of Associated Laws in Connection with Enforcement of Law for Partial Amendments to Securities and Exchanges Law, the Law Concerning Investment Trusts and Investment Corporations and other laws and regulations relating to investment corporations have been adjusted and amended. The amendments include necessary changes to the use of certain terminology in order to align TOKYU REIT’s Articles of Incorporation with relevant regulatory requirements.
- (2) With the implementation of the Law for Partial Amendments to the Law Concerning Book-Entry Transfer of Corporate Bonds and Other Securities for the Purpose of Streamlining the Settlement of Trades of Stocks and Other Securities, Japan has seen the introduction of an electronic share certificate system. Accordingly, TOKYU REIT proposes the amendment of Articles.
- (3) Under the Law on Special Measures Concerning Taxation, an investment corporation is required to use qualified lenders to receive special tax treatment, while certain requirements regarding the holding of other companies’ shares are eased in the event that an investment corporation acquires all the preferred equity shares in a special purpose company. With recent amendments to the law, however, the definition of lenders has been revised and the aforementioned easing of the shareholding requirements has been abolished. The amendments include necessary changes relating to these developments. Also, in preparation for the future amendment of the law defining the amount of the distributable income under Article 67-15, TOKYU REIT

proposes the amendment of Attachment which defines the type of assets for investment.

- (4) With the aim of ensuring its ability to make necessary or potentially profitable investments in accordance with its basic investment management policy, TOKYU REIT proposes the amendment.
- (5) With due consideration given to recent dynamic fluctuations in economic conditions and in order to better prepare itself for ballooning future uncertainties, TOKYU REIT proposes the addition of a special provision, which defines investment management fees paid to Tokyu Real Estate Investment Management Inc. that would temporarily modify the fee system revision.
- (6) In line with the implementation of the Law for Partial Amendments to the Securities and Exchange Law, TOKYU REIT proposes the abolition of Article, a temporary provision.
- (7) For consistency and clarity, TOKYU REIT shall adjust any discrepancies in the text and numbering that results from the creation and deletion of articles.

(Please refer to the attachment “Notice of Convocation of the Fourth General Meeting of Unitholders” on page 3~10 for more details on the amendments to the Articles of Incorporation.)

2. Election of Directors

The terms of office of one executive director and two supervisory directors will end on April 30, 2009. A proposal for the nomination of one executive director and two supervisory directors will be submitted to the General Meeting of Unitholders of TOKYU REIT to be held on April 15, 2009.

(Please refer to the attachment “Notice of Convocation of the Fourth General Meeting of Unitholders” on page 11~12 for more details on the election of directors.)

3. Schedule

March 9, 2009	Board of Directors meeting to approve proposals to be submitted to the General Meeting of Unitholders
March 25, 2009	Mailing of notification of convocation of the General Meeting of Unitholders (planned)
April 15, 2009	The General Meeting of Unitholders (planned)

Attachment

Notice of Convocation of the Fourth General Meeting of Unitholders

Please note that this document is an English translation prepared solely for the convenience and information purpose of unitholders who are non-native Japanese. In the event of any inconsistency between this translation and the Japanese authoritative document, the latter shall prevail.

March 25, 2009

Masahiro Horie
Executive Director:
TOKYU REIT, Inc.
12-1, Dogenzaka, 1-chome,
Shibuya-ku, Tokyo, Japan
(Securities Code: 8957)

Notice of Convocation of the Fourth General Meeting of Unitholders

Dear Unitholders:

TOKYU REIT, Inc. (“TOKYU REIT”) hereby gives notification of and requests your attendance to its Fourth General Meeting of Unitholders (“Meeting”) to be held as detailed below.

In the event that you are unable to attend, you are able to exercise your voting right using a voting rights exercise form. Therefore we request you study the attached reference documents and exercise your voting rights on the enclosed voting rights exercise form by indicating your approval or disapproval of the items of business, and return those documents with your seal impression by April 14, 2009 (Tuesday).

In accordance with Article 93-1 of the Law for Investment Trusts and Investment Corporations, TOKYU REIT determined in its Articles of Incorporation that unitholders not present at the general meeting of unitholders who do not exercise their voting rights are deemed to approve proposals submitted to the general meeting of unitholders (excluding proposals that contradict each other when there are several proposals).

Accordingly, please be aware that unitholders not present at the Meeting who do not exercise their voting rights on the voting rights exercise form are deemed to approve proposals submitted to the Meeting. Also please be aware that the number of voting rights held by non-attending unitholders is included in the number of voting rights of unitholders in attendance.

- Date:** April 15, 2009 (Wednesday) at 10:00 a.m.
- Address:** Ball Room, B1st floor, Cerulean Tower Tokyu Hotel
26-1, Sakuragaoka-cho, Shibuya-ku, Tokyo, Japan

3. Agenda:

Matters to be Resolved:

- | | |
|--------------------|---|
| First Item | Partial amendments to the Articles of Incorporation |
| Second Item | Election of one executive director |
| Third Item | Election of two supervisory directors |

4. Decisions at the time of convention:

On the day of the Meeting, unitholders may exercise their voting rights by proxy, limited to one other unitholder with voting rights. If voting by proxy, we request that your proxy submit a document certifying his or her authority with your voting rights exercise form.

If your voting rights exercise form fails to clearly express your position with regard to individual agenda items, TOKYU REIT will consider you to be voting for those agenda items.

Notes:

1. If you attend the Meeting, we request that you return the enclosed voting rights exercise form to the reception desk.
2. Any revisions that need to be made to the General Meeting of Unitholders Reference Document will be posted on the TOKYU REIT Web site (<http://www.tokyu-reit.co.jp/eng/>) after revision, so please approve those revisions beforehand.
3. After the conclusion of the Meeting, Tokyu Real Estate Investment Management Inc. (“Tokyu REIM”), our investment management company, which we consign to manage our assets and investments, will hold a management status meeting in the same room and on the same day. We understand that you are busy, but we would appreciate it if you could attend

General Meeting of Unitholders Reference Document

Agenda Items and References

First Item: Partial Amendments to the Articles of Incorporation

Reasons for Amendments

- (1) In line with the implementation of the Law for Partial Amendments to the Securities and Exchange Law (Law No. 65 of 2006) and the Law Concerning Coordination, Etc., of Associated Laws in Connection with Enforcement of Law for Partial Amendments to Securities and Exchanges Law (Law No. 66 of 2006), the Law Concerning Investment Trusts and Investment Corporations (Law No. 198 of 1951, as amended) and other laws and regulations relating to investment corporations have been adjusted and amended. The amendments include necessary changes to the use of certain terminology in order to align TOKYU REIT's Articles of Incorporation with relevant regulatory requirements. (Articles 29, 36, 38, Attachment 1-2 (1), (3), Attachment 1-3 (4), and Attachment 2)
- (2) With the implementation of the Law for Partial Amendments to the Law Concerning Book-Entry Transfer of Corporate Bonds and Other Securities for the Purpose of Streamlining the Settlement of Trades of Stocks and Other Securities (Law No. 88 of 2004), Japan has seen the introduction of an electronic share certificate system. Accordingly, TOKYU REIT proposes the amendment of Articles 7 and 8 as well as the creation of Attachment 1-2 (5).
- (3) Under the Law on Special Measures Concerning Taxation (Law No. 26 of 1957, as amended), an investment corporation is required to use qualified lenders to receive special tax treatment, while certain requirements regarding the holding of other companies' shares are eased in the event that an investment corporation acquires all the preferred equity shares in a special purpose company. With recent amendments to the law, however, the definition of lenders has been revised and the aforementioned easing of the shareholding requirements has been abolished. The amendments include necessary changes relating to these developments. Also, in preparation for the future amendment of the law defining the amount of distributable income under Article 67-15, TOKYU REIT proposes the amendment of Articles 30 and 36 and Attachment 1-3 (5).
- (4) With the aim of ensuring its ability to make necessary or potentially profitable investments in accordance with its basic investment management policy, TOKYU REIT proposes the amendment of Attachment 1-2 (4), which defines the type of assets for investment.
- (5) With due consideration given to recent dynamic fluctuations in economic conditions and in order to better prepare itself for ballooning future uncertainties, TOKYU REIT proposes the addition of a special provision to Attachment 2, which defines investment management fees paid to Tokyu Real Estate Investment Management Inc. ("Tokyu REIM,") that would temporarily modify the fee system. For a detailed explanation of the proposed fee system revision, please refer to (Reference) on page 13.
- (6) In line with the implementation of the Law for Partial Amendments to the Securities and Exchange Law, TOKYU REIT proposes the abolition of Article 41, a temporary provision.
- (7) For consistency and clarity, TOKYU REIT shall adjust any discrepancies in the text and numbering that results from the creation and deletion of articles. (Articles 4, 5, 12, 21, 29, 30, 31, Attachment 1-2 (1), (3), (4) , Attachment 1-3 (5) and Attachment 1-5 (1),(2))

2. Details of Amendments

Proposed Amendments are as follows.

(Underlined portions indicate changes)

Current Articles	Proposed Amendments
Article 4. (Method of Public Notice) (Omitted [insignificant lexical changes in Japanese])	Article 4. (Method of Public Notice) (No change)
Article 5. (Total Number of Investment Units Available for Issue) 1. (Omitted) 2. Subject to the maximum limit identified for the total number of investment units as specified in Article 5.1, TOKYU REIT <u>shall issue offered investment unit</u> in accordance with resolutions of the Board of Directors. The amount paid shall be a fair amount in view of the characteristics of the assets held by TOKYU REIT approved by resolutions of the Board of Directors.	Article 5. (Total Number of Investment Units Available for Issue) 1. (No change) 2. Subject to the maximum limit identified for the total number of investment units as specified in Article 5.1, TOKYU REIT <u>may offer investors investment units for subscription</u> in accordance with resolutions of the Board of Directors. The amount paid <u>per investment unit offered, which refers to those investment units that are underwritten by and allotted to subscribers,</u> shall be a fair amount in view of the characteristics of the assets held by TOKYU REIT approved by resolutions of the Board of Directors.
Article 7. (Redemption of Investment Units) Unitholders, <u>including beneficial unitholders who fall within the scope of the securities custody and book-entry transfer system (hereinafter referred to as “beneficial unitholders”;</u> the same shall apply hereinafter), shall not be entitled to the redemption of investment units.	Article 7. (Redemption of Investment Units) Unitholders shall not be entitled to the redemption of investment units.
Article 8. (Investment Unit Handling Regulations) The type of investment units to be issued, the preparation and management of the register of unitholders (including the entry and record in the register of beneficial unitholders; the same shall apply hereinafter), the registration of pledgees or the record of trust assets, the reissue of investment securities and any other matters relating to the handling of investment units and investment securities including commissions shall be governed by handling regulations to be established by the Board of Directors.	Article 8. (Investment Unit Handling Regulations) The entry and record in the register of unitholders, procedures for exercising unitholders’ rights and any other matters relating to the handling of investment units and investment securities including commissions shall be governed by handling regulations to be established by the Board of Directors.
Article 12. (Resolutions of General Meeting of Unitholders) 1. (Omitted) 2. (Omitted [insignificant lexical changes in Japanese]) 3. (Omitted)	Article 12. (Resolutions of General Meeting of Unitholders) 1. (No change). 2. (No change) 3. (No change).
Article 21. (Term of Office of Directors) 1. The term of office of executive directors and supervisory directors shall be two years. 2. (Omitted)	Article 21. (Term of Office of Directors) 1. The term of office of executive directors and supervisory directors shall be two years <u>after appointment.</u> 2. (No change).
Article 29. (Asset Valuation Methods, Standards and Reference Dates) 1.(Omitted) (1) (Omitted) (2) Attachment 1, 2. (1): Trust beneficiary interests and equity ownership by undisclosed	Article 29. (Asset Valuation Methods, Standards and Reference Dates) 1. (No change) (1) (No change) (2) Attachment 1, 2. (1): Trust beneficiary interests and equity ownership by undisclosed

Current Articles	Proposed Amendments
<p>associations</p> <p>The valuation of trust assets and specified assets as defined in Attachment 1, 2. (1)f. (hereinafter referred to as “equity ownership by undisclosed associations”) is calculated by totaling the value of real estate using methods in the previous clause and the value of financial assets using generally accepted accounting principles, subtracting liabilities from this total, and computing the value of trust beneficiary interests and equity ownership by undisclosed associations.</p> <p>(3) Attachment 1, 2. (2): Asset-backed securities for investment, mainly real estate</p> <p>a. Asset-backed securities listed on <u>securities</u> exchanges</p> <p>The valuation of asset-backed securities listed on <u>securities</u> exchanges is computed based on the closing price (hereinafter referred to as “closing price.” If there is no closing price, defined as the lowest ask price or the highest bid price, if both are available then the median price) on the reference date for the <u>securities</u> market or foreign <u>securities</u> market operated by a <u>securities</u> exchange.</p> <p>b.~e. (Omitted)</p> <p>(4) Attachment 1, 2. (3): Marketable securities in specified assets</p> <p>a. Securities listed on <u>securities</u> exchanges</p> <p>The valuation of <u>securities</u> listed on <u>securities</u> exchanges shall be computed based on the closing price of the reference date on the <u>securities</u> market or foreign <u>securities</u> market operated by the <u>securities</u> exchange.</p> <p>b.~e. (Omitted)</p> <p>(5) (Omitted)</p> <p>(6) Attachment 1, 2. (3)c. <u>and d.</u>: Interests in <u>monetary futures and financial</u> derivative transactions</p> <p>a. The valuation of receivables and liabilities generated by <u>transactions</u> on listed exchanges is computed as an amount based on the closing price on the reference date of the <u>exchange</u>. In the event there are no closing prices on the reference date, valuations shall be computed based on the closing prices of the previous date.</p> <p>b. The valuation of receivables and liabilities generated by <u>transactions</u> on non-listed <u>exchanges</u> with no markets is computed as an amount reasonably calculated based on market prices. In the event that it is extremely difficult to calculate an amount based on market prices, the acquisition cost shall be used.</p> <p>c. (Omitted)</p>	<p>associations</p> <p>The valuation of trust assets and specified assets as defined in Attachment 1, 2. (1)f. (hereinafter referred to as “equity ownership by undisclosed associations”) is calculated by totaling the value of real estate, <u>real estate leasing rights and land surface rights</u> using methods in the previous clause and the value of financial assets using generally accepted accounting principles, subtracting liabilities from this total, and computing the value of trust beneficiary interests and equity ownership by undisclosed associations.</p> <p>(3) Attachment 1, 2. (2): Asset-backed securities for investment, mainly real estate</p> <p>a. Asset-backed securities listed on <u>financial instrument</u> exchanges</p> <p>The valuation of asset-backed securities listed on <u>financial instrument</u> exchanges is computed based on the closing price (hereinafter referred to as “closing price.” If there is no closing price, defined as the lowest ask price or the highest bid price; if both are available, then the median price) on the reference date for the <u>financial instrument</u> market or foreign <u>financial instrument</u> market operated by a <u>financial instrument</u> exchange.</p> <p>b.~e. (No change)</p> <p>(4) Attachment 1, 2. (3): Marketable securities in specified assets</p> <p>a. Securities listed on <u>financial instrument</u> exchanges</p> <p>The valuation of <u>financial instruments</u> listed on <u>financial instrument</u> exchanges shall be computed based on the closing price of the reference date on the <u>financial instrument</u> market or foreign <u>financial instrument</u> market operated by the <u>financial instrument</u> exchange.</p> <p>b.~e. (No change)</p> <p>(5) (No change)</p> <p>(6) Attachment 1, 2. (3)c.: Interests in derivative transactions</p> <p>a. The valuation of receivables and liabilities generated by <u>derivative transactions</u> on listed financial instrument exchanges is computed as an amount based on the closing price on the reference date of the <u>financial instrument exchange</u>. In the event there are no closing prices on the reference date, valuations shall be computed based on the closing prices of the previous date.</p> <p>b. The valuation of receivables and liabilities generated by <u>derivative transactions</u> on non-listed <u>financial instrument exchanges</u> with no markets is computed as an amount reasonably calculated based on market prices. In the event that it is extremely difficult to calculate an amount based on market prices, the acquisition cost shall be used.</p> <p>c. (No change)</p>

Current Articles	Proposed Amendments
(7) (Omitted) 2.~3. (Omitted)	(7) (No change) 2. ~3. (No change)
<p>Article 30. (Cash Distributions) (Omitted)</p> <p>(1) (Omitted)</p> <p>(2) TOKYU REIT shall make cash distributions to its unitholders in excess of 90% of its distributable income as defined in Article 67-15 of the Special Taxation Measures Law (Law No. 26 of 1957, as amended) (hereinafter referred to as “special tax treatment”). TOKYU REIT is allowed to provide for a long-term maintenance reserves as deemed necessary to maintain and improve asset value, reserve for outstanding claims, reserve for cash distributions and other similar reserves.</p> <p>(3)~(4) (Omitted)</p> <p>(5) Method of cash distributions Cash distributions shall be distributed according to the number of units held by unitholders within three months, in principle, from the end of the fiscal period to unitholders or registered pledgees of investment units entered or recorded at the end of the fiscal period.</p>	<p>Article 30. (Cash Distributions) (No change)</p> <p>(1) (No change)</p> <p>(2) TOKYU REIT shall make cash distributions to its unitholders in excess of 90% of its distributable income as defined in Article 67-15 of the Special Taxation Measures Law (Law No. 26 of 1957, as amended) (hereinafter referred to as “special tax treatment”). <u>Any applicable regulatory amendments shall prevail in the calculation of distributable income and cash distributions.</u> TOKYU REIT is allowed to provide for a long-term maintenance reserves as deemed necessary to maintain and improve asset value, reserve for outstanding claims, reserve for cash distributions and other similar reserves.</p> <p>(3)~(4) (No change)</p> <p>(5) Method of cash distributions Cash distributions shall be distributed according to the number of units, <u>or the number of units equivalent to registered unit pledges,</u> held by unitholders within three months, in principle, from the end of the fiscal period to unitholders or registered pledgees of investment units entered or recorded at the end of the fiscal period.</p>
<p>Article 31. Time Limit for Claiming Cash Distributions</p> <p>1. (Omitted)</p> <p>2. (Omitted [insignificant lexical changes in Japanese])</p>	<p>Article 31. Time Limit for Claiming Cash Distributions</p> <p>1. (No change)</p> <p>2. (No change)</p>
<p>Article 36. (Debt Financing)</p> <p>1. TOKYU REIT may engage in debt financing in accordance with the following conditions. However, such debt financing shall be limited to from the qualified institutional buyers as defined in <u>the Securities and Exchange Act of Japan (Law No. 25 of 1948, as amended).</u></p> <p>(1)~(3) (Omitted)</p> <p>2. (Omitted)</p>	<p>Article 36. (Debt Financing)</p> <p>1. TOKYU REIT may engage in debt financing in accordance with the following conditions. However, such debt financing shall be limited to from the qualified institutional buyers as defined <u>under the special provision for taxation regarding investment corporations in the Financial Instrument and Exchange Law. (Law No. 25 of 1948, as amended).</u></p> <p>(1)~(3) (No change)</p> <p>2. (No change)</p>
<p>Chapter IX. Fees Paid to <u>Investment Management Company</u></p>	<p>Chapter IX. Fees Paid to <u>Investment Management Company</u></p>
<p>Article 38. (Fees Paid to Investment Management Company) (Omitted [insignificant lexical changes in Japanese])</p>	<p>Article 38. (Fees Paid to Investment Management Company) (No change)</p>
<p>Article 41 <u>Sections relating to short-term corporate bonds in these Articles of Incorporation shall take effect on the date of implementation of the Law for Partial Amendment of the Securities and Exchange Act of Japan (Law No. 65 of 2006)</u></p>	<p>Article 41. <u>The special provision regarding investment management fees from the 12th fiscal period through to the 15th period under Attachment 2 shall remain effective until January 31, 2011. The special provision, together with this supplementary provision, shall be deleted on February 1, 2011.</u></p>

Current Articles	Proposed Amendments
Attachment 1: Scope and Policy of Investment Management	Attachment 1: Scope and Policy of Investment Management
1. Policy of Investment Management (Omitted)	1. Policy of Investment Management (No change)
2.Type, Purpose and Scope of Specified Assets for Investments (Omitted)	2.Type, Purpose and Scope of Specified Assets for Investments (No change)
(1) (Omitted) a.~c. (Omitted) d. Investment trust beneficiary rights <u>on the following</u> (including comprehensive trusts with monetary interests in real estate, but excluding marketable securities (hereinafter referred to as “marketable securities”) as defined in the Investment Trust and Investment Corporation Act Enforcement Order (Order No. 480 of 2000, as amended, hereinafter referred to as “Investment Trust Law Enforcement Act”)) <u>(i) Real estate</u> <u>(ii) Land surface rights and land leasing rights</u> e. Monetary trust beneficiary interests (limited to investments in assets listed in a. through c. above as trust funds, <u>excluding marketable securities</u>) f. (Omitted) <u>(New addition)</u>	(1) (No change) a.~c. (No change) d. Investment trust beneficiary rights <u>on a. through c. above</u> (including comprehensive trusts with monetary interests in real estate, but excluding marketable securities. (Deleted) (Deleted) e. Monetary trust beneficiary interests (limited to investments in assets listed in a. through c. above as trust funds) f. (No change) <u>g. Monetary trust beneficiary interests managed as investments in equity ownership of trust assets by undisclosed associations</u>
(2) (Omitted) a. ~d. (Omitted)	(2) (No change) a. ~d. (No change)
(3) (Omitted) a. (Omitted [insignificant lexical changes in Japanese]) b. Monetary receivables (as defined by the Investment Trust Law Enforcement Order, including ordinary deposits, large-sum time deposits, negotiable deposits (excluding marketable securities)and call loans) c. Interests in monetary futures (as defined by the Investment Trust Law Enforcement Order) <u>d. Interests in financial derivative transactions (as defined by the Investment Trust Law Enforcement Order)</u> e. (Omitted)	(3) (No change) a. (No change) b. Monetary receivables (as defined by the Investment Trust Law Enforcement Order, <u>Enforcement No. 480 of 2000, as amended.</u> including ordinary deposits, large-sum time deposits, negotiable deposits (excluding marketable securities)and call loans) c. (Deleted) <u>c. Interests in derivative transactions (as defined by the Investment Trust Law Enforcement Order)</u> <u>d. (No change)</u>
(4) (Omitted) a.~e. (Omitted) f. (Omitted [insignificant lexical changes in Japanese]) g. (Omitted [insignificant lexical changes in Japanese]) h.~j. (Omitted) <u>(New addition)</u>	(4) (No change) a.~e. (No change) f. (No change) g. (No change) h.~j. (No change) <u>k. The amount of certified emission reductions (CERs) defined under the Law Concerning the Promotion of Measures to Cope with Global</u>

Current Articles	Proposed Amendments
<p><u>k.</u> (Omitted)</p> <p><u>l.</u> Stock issued by foreign corporations associated with <u>k.</u> above, limited to stock that aims to invest in real estate or that is acquired through or in relation to such investments</p> <p><u>m.</u> (Omitted)</p> <p><u>(New addition)</u></p>	<p><u>Warming (Law No. 117 of 1998, including amendments thereafter) and equivalents and emission credits (including those relating to greenhouse gases) as types of properties for investment</u></p> <p><u>l.</u> (No change)</p> <p><u>m.</u> Stock issued by foreign corporations associated with <u>l.</u> above, limited to stock that aims to invest in real estate or that is acquired through or in relation to such investments</p> <p><u>n.</u> (No change)</p> <p><u>(5) In accordance with Article 2, Paragraph 2 of the Financial Instruments and Exchange Law, in the event that physical certificates representing interests in marketable securities do not exist, these interests shall be regarded as applicable marketable securities, to which provisions under items 1. through 4. in Attachment 1 shall apply.</u></p>
3. Investment Posture	3. Investment Posture
(1) (Omitted)	(1) (No change)
(2) (Omitted)	(2) (No change)
(3) (Omitted)	(3) (No change)
<p>(4) Financial Policy</p> <p>a. (Omitted)</p> <p>b. (Omitted)</p> <p>(i)~(iv) (Omitted)</p> <p>(v) TOKYU REIT may enter into derivative finance transactions <u>and financial futures transactions</u> in order to hedge risks arising from interest rate fluctuations.</p> <p>c. (Omitted)</p>	<p>(4) Financial Policy</p> <p>a. (No change)</p> <p>b. (No change)</p> <p>(i)~(iv) (No change)</p> <p>(v) TOKYU REIT may enter into derivative finance transactions in order to hedge risks arising from interest rate fluctuations.</p> <p>c. (No change)</p>
<p>(5) Other</p> <p>a. (Omitted)</p> <p>b. <u>TOKYU REIT shall maintain a ratio of 75% or higher, as decreed by the Ministry of Finance, for the total value of real estate (including trust beneficiary ownership [limited to those associated with trusts that only invest in real estate] and equity ownership by undisclosed associations [limited to those associated with undisclosed association agreements that use funds to only invest in real estate]) to total assets.</u></p> <p>c. (Omitted)</p>	<p>(5) Other</p> <p>a. (No change)</p> <p><u>(Deleted)</u></p> <p>b. (No change)</p>
4. Limitations on Investment Management	4. Limitations on Investment Management
(Omitted)	(No change)
5. Asset Portfolio Leasing	5. Asset Portfolio Leasing
(1) In order to efficiently manage assets and achieve strong management results, TOKYU REIT may lease out (including the installation of parking facilities and advertising billboards) real estate, real estate leasing rights, land surface rights	(1) In order to efficiently manage assets and achieve strong management results, TOKYU REIT may lease out (including the installation of parking facilities and advertising billboards) real estate, real estate leasing rights, land surface rights

Current Articles	Proposed Amendments								
(including underlying real estate, real estate leasing rights and land surface rights of real estate for trust beneficiary rights and other assets to be acquired by TOKYU REIT) and movables attached to such real estate within the assets defined in 2. <u>above</u> .	(including underlying real estate, real estate leasing rights and land surface rights of real estate for trust beneficiary rights and other assets to be acquired by TOKYU REIT) and movables attached to such real estate within the assets defined in 2. <u>above</u> .								
(2) (Omitted [insignificant lexical changes in Japanese])	(2) (No change)								
(3) (Omitted)	(3) (No change)								
Attachment 2: Fees Paid to <u>Investment Management Company</u> (Omitted [insignificant lexical changes in Japanese])	Attachment 2: Fees Paid to <u>Investment Management Company</u> (No change)								
<table border="1"> <thead> <tr> <th data-bbox="228 629 467 689">Compensation Type</th> <th data-bbox="469 629 782 689">Calculation Method and Payment Period</th> </tr> </thead> <tbody> <tr> <td data-bbox="228 692 467 736">(Omitted)</td> <td data-bbox="469 692 782 736">(Omitted)</td> </tr> </tbody> </table>	Compensation Type	Calculation Method and Payment Period	(Omitted)	(Omitted)	<table border="1"> <thead> <tr> <th data-bbox="812 629 1051 689">Compensation Type</th> <th data-bbox="1053 629 1366 689">Calculation Method and Payment Period</th> </tr> </thead> <tbody> <tr> <td data-bbox="812 692 1051 736">(No change)</td> <td data-bbox="1053 692 1366 736">(No change)</td> </tr> </tbody> </table>	Compensation Type	Calculation Method and Payment Period	(No change)	(No change)
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Compensation Type	Calculation Method and Payment Period								
(No change)	(No change)								
(New addition)	<table border="1"> <tbody> <tr> <td data-bbox="812 743 1051 987"> <u>Special provision regarding investment management fees from the 12th fiscal period through to the 15th period</u> </td> <td data-bbox="1053 743 1366 1368"> <u>From the 12th fiscal period through to the 15th fiscal period, investment management fees shall be calculated based on the sum of asset-based fees, cash flow-based fees and unit price-based fees as well as on the rates of reduction from the sum for each period, as described below:</u> <u>12th period (Feb. 1 2009 to July 31, 2009): 2%</u> <u>13th period (Aug. 1, 2009 to Jan. 31, 2010): 4%</u> <u>14th period (Feb. 1, 2010 to July 31, 2010): 6%</u> <u>15th period (Aug. 1, 2010 to Jan. 31, 2011): 8%</u> </td> </tr> </tbody> </table>	<u>Special provision regarding investment management fees from the 12th fiscal period through to the 15th period</u>	<u>From the 12th fiscal period through to the 15th fiscal period, investment management fees shall be calculated based on the sum of asset-based fees, cash flow-based fees and unit price-based fees as well as on the rates of reduction from the sum for each period, as described below:</u> <u>12th period (Feb. 1 2009 to July 31, 2009): 2%</u> <u>13th period (Aug. 1, 2009 to Jan. 31, 2010): 4%</u> <u>14th period (Feb. 1, 2010 to July 31, 2010): 6%</u> <u>15th period (Aug. 1, 2010 to Jan. 31, 2011): 8%</u>						
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Reference

The recent financial crisis has developed into a more serious situation than those that the post-WWII global economy experienced. Turmoil in the credit market, which nobody foresaw coming at the time of the establishment of the J-REIT market, and the bankruptcy of a real estate investment corporation that had earned the “A” issuer rating have negatively affected the entire J-REIT industry. More specifically, the industry is increasingly facing certain specific adversities, including funding difficulties.

To date, TOKYU REIT has adhered to strategic management based on a conservative financing policy. This approach has proven effective even in the development of the aforementioned operating environment. In other words, TOKYU REIT is experiencing a relatively slower worsening of the debt-financing environment and conditions. However, future uncertainties are ballooning due to the aforementioned credit market turmoil, as well as to dynamic fluctuations in operating conditions attributable to a slowdown in the real economy.

Having given due consideration to the entire situation, Tokyu REIM has presented TOKYU REIT with a proposal to lower its Investment Management Fees for a limited period. The rationale behind this proposal is that Tokyu REIM believes that TOKYU REIT will be better able to bolster its competitiveness in the credit market and accurately and flexibly counter future uncertainties through the implementation of ongoing risk management initiatives and new measures.

The effective period and the rates of reduction are as follows:

- Effective period:
Four fiscal periods over a two-year term, from February 1, 2009 to January 31, 2011
 - Rate of reduction:
12th period: 2%
13th period: 4%
14th period: 6%
15th period: 8%
- Amounts equivalent to the above rate will be subtracted from the sum of asset-based fees, cash flow-based fees and unit price-based fees for each period.

The Investment Management Fees fluctuate with the fair value of TOKYU REIT’s property portfolio, TOKYU REIT’s cash flows and the price of TOKYU REIT’s investment units. This means that this fee system has a “built-in stabilizer” effect under which Tokyu REIM’s investment management performance is reflected in determining the amount of its Investment Management Fees. For example, the fee amounts are automatically lowered in sync with any deterioration in Tokyu REIM’s investment management performance attributable to harsh operating conditions like the current ones. However, agreeing with the Japanese government’s contention that the current global financial disorder is growing into a worse-than-expected crisis, TOKYU REIT has decided to reinforce the fee system’s built-in stabilizer effect with a time-limited fee reduction measure. In this way, TOKYU REIT believes that it will be able to financially ascertain the implementation of additional measures aimed at avoiding credit and other risks. In line with this belief, TOKYU REIT has decided to accept Tokyu REIM’s proposal and amend provisions relating to the Investment Management Fees in its Articles of Incorporation, subject to an approval of the General Meeting of Unitholders.

TOKYU REIT has concluded that it is best to accept the proposal and facilitate the implementation of various measures to maintain the trust that it has nurtured in the J-REIT market, thereby reestablishing a formidable business structure that will allow it to efficiently return to a path of renewed growth should market conditions show signs of recovery.

In connection with the reduction of its Investment Management Fees, Tokyu REIM has expressed its commitment to do its utmost to maintain the quality of its services.

Second Item: Election of One Executive Director

The executive director shall end his term of office on April 30, 2009. TOKYU REIT requests the election of one executive director on May 1, 2009. Under this item, the term of office of the executive director shall be two years from his day of appointment of May 1, 2009, in accordance with the Articles of Incorporation.

This proposal for the nomination of the executive director was submitted after the unanimous approval of all supervisory directors at the Board of Directors meeting held on March 9, 2009 was obtained.

The candidate for executive director is as follows.

Name (Date of birth)	Career Summary	
Masahiro Horie (December 31, 1961)	April 1984	Entered Railway Division of Tokyu Corporation
	April 1985	Tama Den-en-toshi Division
	March 1986	Resort Business Overseas Development Division
	July 1989	Temporary transfer to Emerald Resorts and Hotels, Assistant Vice President, Executive Assistant to Trustee, Emerald Liquidating Trust (Honolulu)
	March 1994	Tokyu Corporation, Finance & Accounting Division
	February 1996	Group Controllers Division
	December 1999	Head of the Group Restructuring Strategy & Investor Relations Division
	June 2001	Temporary transfer to Representative Director and Executive Vice President, Tokyu Real Estate Investment Management Inc.
	September 2002	Representative Director, President and Chief Executive Officer, Tokyu Real Estate Investment Management Inc. (present post)
	June 2003	Executive Director, TOKYU REIT (present post)

- The above candidate for executive director does not own units in TOKYU REIT.
- On June 16, 2003, he was recognized as also holding the post of a director of an asset management company by the Financial Service Agency in accordance with the article 13 of the Law Concerning Investment Trusts and Investment Corporations. There are no specific interests between the above candidate for executive director and TOKYU REIT.

Third Item: Election of Two Supervisory Directors

The two supervisory directors shall end their term of office on April 30, 2009. TOKYU REIT requests the election of two supervisory directors on May 1, 2009. Under this item, the term of office of the supervisory directors shall be two years from their day of appointment of May 1, 2009, in accordance with the Articles of Incorporation.

The number of supervisory directors must be at least one more than the number of executive directors as stipulated in the Articles of Incorporation and the Law for Investment Trusts and Investment Corporations.

The candidates for supervisory director are as follows.

No.	Name (Date of birth)	Career Summary	
1	Giichi Yanagisawa (August 3, 1956)	March 1985	Certified as a Public Accountant Established Yanagisawa Certified Public Accountant Office
		May 1985	Certified as Tax Accountant (present post)
		June 2000	Representative of Shinso Audit Corporation (present post)
		July 2001	Member of the Board of the Japanese Institute of Certified Public Accountants
		June 2003	Supervisory Director of TOKYU REIT (present post)
		July 2004	Managing Director of the Japanese Institute of Certified Public Accountants (present post)
2	Maruhito Kondo (March 6, 1962)	April 1988	Registered Attorney-at-Law (Tokyo Bar Association) Entered Ohara Law Office
		May 1988	Studied at the Chinese University of Hong Kong
		September 1988	Studied at Renmin University of China
		July 1989	Worked at Robert Lee Fong, Solicitors in Hong Kong (law firm)
		February 1996	Established Maruhito Kondo Law Office (present post)
		May 1998	Changed registration to Daini Tokyo Bar Association (present post)
June 2003	Supervisory Director of TOKYU REIT (present post)		

- The above candidates for supervisory director do not own units in TOKYU REIT.
- There are no specific interests between the above candidates for supervisory director and TOKYU REIT.

Reference Information:

In the event that there are conflicting proposals submitted to the General Meeting of Unitholders, “deemed approval” as stated in Article 93-1 of the Law for Investment Trusts and Investment Corporations and Article 15-1 of the Articles of Incorporation of TOKYU REIT shall not apply to either proposal. Proposals in the First Item and the Third Item above do not conflict.