

**For Translation Purposes Only**

Real Estate Investment Fund Issuer:  
Mori Hills REIT Investment Corporation  
(Securities Code: 3234)  
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Hideyuki Isobe, Executive Director

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**MHR Announces Information on Borrowings**

Mori Hills REIT Investment Corporation (hereafter “MHR”) resolved at its Board of Directors Meeting held today the following with regard to agreements on borrowings (hereafter “Borrowings”).

1. Purpose of Borrowings

To be used as refinancing of 2,600 million yen in long-term loans payable due November 30, 2017 (hereafter “Existing Long-term Loans Payable”) (Note).

(Note) Please refer to the press releases “MHR Announces Information on Borrowings” dated November 25, 2013 for details.

2. Details of Borrowings

| Lender<br>(anticipated)                 | Borrowing<br>amount<br>(million yen) | Interest<br>rate                               | Scheduled<br>drawdown<br>date | Repayment<br>date<br>(Note 3) | Method of<br>repayment  | Collateral                 |
|---|--------------------------------------|--|-------------------------------|-------------------------------|---|----------------------------|
| Oita Bank Co.<br>Ltd.                   | 1,000                                | 0.23%<br>(Note 1)                              | November<br>30, 2017          | November<br>30, 2022          | To be<br>repaid in<br>full on the<br>principal<br>repayment<br>date | Unsecured/<br>Unguaranteed |
| The<br>Norinchukin<br>Bank              | 600                                  | Base<br>interest<br>rate<br>+0.25%<br>(Note 2) |                               | November<br>30, 2024          |   |                            |
| The Nishi-<br>Nippon City<br>Bank, Ltd. | 1,000                                | Base<br>interest<br>rate<br>+0.25%<br>(Note 2) |                               | November<br>30, 2024          |   |                            |

(Note 1) The first payment date shall be the last day of May 2018 and subsequent payment dates shall be the last day of May and November every year thereafter. The last payment date shall be the principal repayment date. If the date is not a business day, the next business day shall be the date and if this next business day falls into the following month, the business day prior shall be the payment date.

(Note 2) The first payment date shall be December 31, 2017 and subsequent payment dates shall be the last day of every month thereafter. The last payment date shall be the principal repayment date. If the date is not a business day, the next business day shall be the date and if this next business day falls into the following month, the business day prior shall be the payment date. Base interest rate to be applied will be the 1-month JBA Japanese Yen TIBOR announced by the Japanese Bankers Association two business days prior to the last payment day (The first payment date shall be the drawdown date). The 1-month JBA Japanese Yen TIBOR can be confirmed on the website of General Incorporated Association JBA TIBOR Administration (<http://www.jbatibor.or.jp/>).

(Note 3) If the repayment date is not a business day, the next business day shall be the repayment date. If this next business day falls into the following month, the business day prior shall be the repayment date.

### 3. Amount of Funds, Use of Funds and Scheduled Payment Period

(1) Amount of funds to be procured: 2,600 million yen

(2) Specific use of funds and scheduled payment period

- a) Specific use of funds: To be disbursed as funds for refinancing of the Existing Long-term Loans Payable
- b) Amount: 2,600 million yen
- c) Scheduled payment period: November 30, 2017

### 4. Borrowings, etc. after the Borrowings

(Unit: millions of yen)

|                              | Before<br>the Borrowings | After<br>the Borrowings | Change |
|------------------------------|--------------------------|-------------------------|--------|
| Long-term loans payable      | 133,222                  | 133,222                 | —      |
| Investment corporation bonds | 28,000                   | 28,000                  | —      |
| Total interest-bearing debt  | 161,222                  | 161,222                 | —      |

(Note 1) Long-term loans payable and investment corporation bonds include the current portion of long-term loans payable within a year and investment corporation bonds.

(Note 2) Amount of investment corporation bonds is a balance after redemption of 2,000 million yen with cash on hand as of November 28, 2017.

### 5. Other Items Required for Investors to Appropriately Understand/Judge the Concerned Information

There are no changes to the content of “1. Fund Information; 1. Fund Status; 3. Investment Risks” indicated in the Semiannual Securities Report (Japanese) for the twenty-second fiscal period submitted on October 27, 2017 as a result of the Borrowings.

- This press release was distributed to the Kabuto Club (the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.
- MHR's website address is <http://www.mori-hills-reit.co.jp/en/>