

**For Translation Purposes Only**

Real Estate Investment Fund Issuer:  
Mori Hills REIT Investment Corporation  
(Securities Code: 3234)  
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**MHR Announces Information on Borrowings**

Mori Hills REIT Investment Corporation (hereafter “MHR”) concluded today the following borrowing.

1. Purpose of Borrowings

To be disbursed as funds for redemption of MHR Eighth Series Unsecured Investment Corporation Bond with the redemption date arriving on May 24, 2018.

(Note) Please refer to the press releases “MHR Announces Issuance of Investment Corporation Bonds” dated May 15, 2013 for details.

2. Details of Borrowings

Lender (anticipated)	Borrowing amount (million yen)	Interest rate	Scheduled drawdown date	Repayment date (Note 2)	Method of repayment	Collateral
Mizuho Bank, Ltd.	3,000	0.185% (Note 1)	May 23, 2018	May 23, 2022	To be repaid in full on the principal repayment date	Unsecured/ Unguaranteed

(Note 1) The first payment date shall be November 23, 2018 and subsequent payment dates shall be May 23 and November 23 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) 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: 3,000 million yen

(2) Specific use of funds and scheduled payment period

- a) Specific use of funds: To be disbursed as funds for redemption of MHR Eighth Series Unsecured Investment Corporation Bond with the redemption date arriving on May 24, 2018
- b) Amount: 3,000 million yen
- c) Scheduled payment period: May 24, 2018

4. Borrowings, etc. after the Borrowings

(Unit: millions of yen)

	Before the Borrowings	After the Borrowings	Change
Long-term loans payable	140,122	143,122	3,000
Investment corporation bonds	28,000	25,000	△3,000
Total interest-bearing debt	168,122	168,122	—

(Note 1) Amount of borrowings shows a balance as of May 24, 2018 after this transaction. (After the redemption of 3,000 million yen in MHR Eighth Series Unsecured Investment Corporation as mentioned in Section 3. (2))

(Note 2) Long-term loans payable and investment corporation bonds include the current portion of long-term loans payable within a year and investment corporation bonds.

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-third fiscal period submitted on April 25, 2018 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/>