

For Translation Purposes Only

Real Estate Investment Fund Issuer:  
Mori Hills REIT Investment Corporation  
(Securities Code: 3234)  
1-8-7 Roppongi, Minato-ku, Tokyo  
Hideyuki Isobe, Executive Director

Asset Manager:  
Mori Building Investment Management Co., Ltd.  
Hideyuki Isobe, President & CEO  
Inquiries: Yoshimi Nishibeppu  
General Manager, Administration Department  
TEL: +81-3-6234-3234

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 2,000 million yen and 2,500 million yen in long-term loans payable due August 29, 2014 (hereafter “Existing Long-term Loans payable”) (Note).

(Note) Please refer to the press release “MHR Announces Information on Borrowings” dated August 26, 2011 for details.

2. Details of Borrowings

(1) Long-term loans payable (maturity of 5 years)

- a) Lenders (planned): Aozora Bank, Ltd.
- b) Borrowing amount: 2,000 million yen
- c) Interest rate: Base Interest Rate (1-month JBA Japanese Yen TIBOR)  
(Note 1) + 0.25%
- d) Scheduled drawdown date: August 29, 2014
- e) Interest payment date: The first payment date shall be the last day of September 2014 and subsequent payment dates shall be the last day of every month thereafter (Note 2). The last payment date shall be the principal repayment date.
- f) Principal repayment date: August 31, 2019 (Note 2)
- g) Method of repayment: To be repaid in full on the principal repayment date
- h) Collateral: Unsecured/Unguaranteed

(2) Long-term loans payable (maturity of 5 years)

- a) Lenders (planned): Resona Bank, Limited.  
b) Borrowing amount: 2,500 million yen  
c) Interest rate: Base Interest Rate (1-month JBA Japanese Yen TIBOR)  
(Note 1) + 0.25%  
d) Scheduled drawdown date: August 29, 2014  
e) Interest payment date: The first payment date shall be the last day of September 2014 and subsequent payment dates shall be the last day of every month thereafter (Note 2). The last payment date shall be the principal repayment date.  
f) Principal repayment date: August 31, 2019 (Note 2)  
g) Method of repayment: To be repaid in full on the principal repayment date  
h) Collateral: Unsecured/Unguaranteed

(Note 1) Base interest rates to be applied on will be the 1-month JBA Japanese Yen TIBOR (0.14636% as of today) announced by the Japanese Bankers Association two business days prior to the last day of each month (if the date is not a business day, the next business day shall be the date. If this next business day falls into the following month, the business day immediately prior shall be the date). Moreover, 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 2) However, if such date is not a business day, the next business day shall be the payment date. If this next business day falls into the following month, the business day immediately prior shall be the payment date.

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

- (1) Amount of funds to be procured: 4,500 million yen  
(2) Specific use of funds and scheduled payment period  
a) Specific use of funds to be procured: Allocation to the refinancing of the existing long-term loans payable  
b) Amount: 4,500 million yen  
c) Scheduled payment period: August 29, 2014

4. Borrowings, etc. after the Borrowings

(unit: millions of yen)

	Before the Borrowings	After the Borrowings	Change
Short-term loans payable	2,000	2,000	0
Long-term loans payable	106,200	106,200	0
Total loans payable	108,200	108,200	0
Investment corporation bonds	25,000	25,000	0
Total of loans payable and investment corporation bonds	133,200	133,200	0
Total interest-bearing debt	133,200	133,200	0

(Note) Long-term loans payable include the current portion of long-term loans payable.

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 fifteenth fiscal period submitted on April 28, 2014 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/>