

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, 3,000 million yen and 8,022 million yen in long-term loans payable due May 30, 2014 (hereafter “Existing Long-term Loans payable”) (Note).

(Note) Please refer to the press releases “MHR Announces Information on Borrowings” dated November 25, 2011 and “MHR Announces Information on Borrowings” dated May 25, 2012 for details.

2. Details of Borrowings

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

- |                              |   |
|------------------------------|---|
| a) Lenders (planned):        | Mizuho Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Banking Corporation, The Norinchukin Bank and The Bank of Fukuoka, Ltd.              |
| b) Borrowing amount:         | 11,000 million yen  |
| c) Interest rate:            | Base Interest Rate (1-month JBA Japanese Yen TIBOR) (Note 1) + 0.25%  |
| d) Scheduled drawdown date:  | May 30, 2014  |
| e) Interest payment date:    | The first payment date shall be the last day of June 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: | May 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 6 years)

- a) Lenders (planned): Mizuho Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Banking Corporation
- b) Borrowing amount: 2,022 million yen
- c) Interest rate: Base Interest Rate (1-month JBA Japanese Yen TIBOR) (Note 1) + 0.30%
- d) Scheduled drawdown date: May 30, 2014
- e) Interest payment date: The first payment date shall be the last day of June 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: May 31, 2020 (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 to be Procured, Specific Use of Funds and Planned Payment Period

- (1) Amount of funds to be procured: 13,022 million yen
- (2) Specific use of funds to be procured and planned payment period
- a) Specific use of funds to be procured: Allocation to the refinancing of the existing long-term loans payable
- b) Amount: 13,022 million yen
- c) Planned payment period: May 30, 2014

4. Borrowings, etc. after the Borrowings

(unit: millions of yen)

	Before the Borrowings	After the Borrowings	Change
Short-term loans payable	0	0	0
Long-term loans payable	101,200	101,200	0
Total loans payable	101,200	101,200	0
Investment corporation bonds	25,000	25,000	0
Total of loans payable and investment corporation bonds	126,200	126,200	0
Total interest-bearing debt	126,200	126,200	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 "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/>