

For Translation Purposes Only

Real Estate Investment Fund Issuer:
Mori Hills REIT Investment Corporation
(Securities Code: 3234)
1-12-32 Akasaka, Minato-ku, Tokyo
Hideyuki Isobe, Executive Director

Asset Manager:
Mori Building Investment Management Co., Ltd.
Hideyuki Isobe, President & CEO
Inquiries: Akira Nemoto
General Manager of Financial Department
TEL: +81-3-6234-3234

MHR Announces Information on Borrowings

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

1. Purpose of Borrowings

To be disbursed as funds for redemption of MHR Ninth Series Unsecured Investment Corporation Bond with the redemption date arriving on May 22, 2020 and MHR Thirteenth Series Unsecured Investment Corporation Bond with the redemption date arriving on May 26, 2020.

(Note) Please refer to the press releases “MHR Announces Issuance of Investment Corporation Bonds” dated May 15, 2013 and “MHR Announces Issuance of Investment Corporation Bonds” dated May 19, 2015 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
Chugoku Bank Ltd.	500	Base interest rate +0.230% (Note 1)	May 20, 2020	May 20, 2027	To be repaid in full on the principal repayment date	Unsecured/ Unguaranteed
Shinsei Bank, Limited	500	Base interest rate +0.300% (Note 2)		May 20, 2028		
Nippon Life Insurance Company	1,000	0.480% (Note 3)		May 20, 2028		
Mizuho Trust & Banking Co., Ltd.	1,000	Base interest rate +0.300% (Note 1)		May 20, 2029		

The Bank of Fukuoka, Ltd.	1,000	Base interest rate +0.230% (Note 2)		May 20, 2030		
The Nishi-Nippon City Bank, Ltd.	1,000	Base interest rate +0.400% (Note 1)		May 20, 2030		

(Note 1) The first payment date shall be the last day of June 2020 and subsequent payment dates shall be the last day of March, June, September, and December 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.

Base interest rate to be applied will be the 3-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 3-month JBA Japanese Yen TIBOR can be confirmed on the website of General Incorporated Association JBA TIBOR Administration (<http://www.jbatibor.or.jp/english/>).

(Note 2) The first payment date shall be the last day of May 2020 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/english/>).

(Note 3) The first payment date shall be November 20, 2020 and subsequent payment dates shall be May 20 and November 20 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 4) 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: 5,000 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 Ninth Series Unsecured Investment Corporation Bond with the redemption date arriving on May 22, 2020 and MHR Thirteenth Series Unsecured Investment Corporation Bond with the redemption date arriving on May 26, 2020 |
| b) Amount: | 5,000 million yen |
| c) Scheduled payment period: | May 22, 2020 and May 26, 2020 |

4. Borrowings, etc. after the Borrowings

(Unit: millions of yen)

	Before the Borrowings	After the Borrowings	Change
Long-term loans payable	157,222	162,222	5,000
Investment corporation bonds	22,000	17,000	△5,000
Total interest-bearing debt	179,222	179,222	0

(Note 1) Amount of borrowings shows a balance of May 26, 2020 after this transaction. (After the redemption of 5,000 million yen in MHR Ninth Series Unsecured Investment Corporation Bond and MHR Thirteenth Series Unsecured Investment Corporation Bond 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-seventh fiscal period submitted on April 24, 2020 as a result of the Borrowings.

- MHR’s website address is <https://www.mori-hills-reit.co.jp/en/>