

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

1. Purpose of Borrowings

To allocate for funds of “Toranomom Hills Mori Tower” and “Holland Hills Mori Tower” (hereafter “Assets to be Acquired”) to be acquired on August 1, 2017.

(Note) Please refer to the press releases “MHR Announces Asset Acquisitions and Lease (Toranomom Hills Mori Tower: New Acquisition) (Holland Hills Mori Tower: New Acquisition)” dated March 17, 2017 for details.

2. Details of Borrowings

Lender (anticipated)	Borrowing amount (million yen)	Interest rate (Note 1)	Scheduled drawdown date	Repayment date (Note 2)	Method of repayment	Collateral
The Norinchukin Bank	500	Base interest rate +0.15%	August 1, 2017	July 31, 2024	To be repaid in full on the principal repayment date	Unsecured/ Unguaranteed
Sumitomo Mitsui Banking Corporation	1,100	Base interest rate +0.20%		July 31, 2025		
Sumitomo Mitsui Trust Bank, Limited	1,000	Base interest rate +0.20%		July 31, 2026		
The Bank of Fukuoka, Ltd	500	Base interest rate +0.20%		July 31, 2026		

Resona Bank, Limited.	500	Base interest rate +0.25%	July 31, 2027
Sumitomo Mitsui Trust Bank, Limited	2,000	Base interest rate +0.25%	July 31, 2028
Mizuho Bank, Ltd.	1,100	Base interest rate +0.30%	July 31, 2029
Mizuho Trust & Banking Co., Ltd.	500	Base interest rate +0.30%	July 31, 2029

(Note 1) The first payment date shall be August 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 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: 7,200 million yen

(2) Specific use of funds and scheduled payment period

- a) Specific use of funds: To allocate for funds of assets to be acquired, etc.
b) Amount: 7,200 million yen
c) Scheduled payment period: August 1, 2017

4. Borrowings, etc. after the Borrowings

(Unit: millions of yen)

	Before the Borrowings	After the Borrowings	Change
Long-term loans payable	126,022	133,222	7,200
Investment corporation bonds	30,000	30,000	—
Total interest-bearing debt	156,022	163,222	7,200

(Note) 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-first fiscal period submitted on April 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/>