

For Translation Purposes Only

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(Securities Code: 3234)
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MHR Announces Interest Rates for Borrowings

Today, Mori Hills REIT Investment Corporation (hereinafter “MHR”) determined the interest rates for the borrowings announced on November 28 and 30, 2007, applicable for the following period:

1. Long term borrowing (2 year term)

Lenders: Mizuho Corporate Bank, Ltd., Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Trust and Banking Co., Ltd., and Shinsei Bank, Ltd.

Drawdown date	Amount	Repayment date (Note 1)	Applicable Period of Interest	Interest rate (per annum)
December 4, 2006	15 billion yen	November 30, 2008	From March 1, 2008 to May 30, 2008	1.10167% (Note 2)

2. Long term borrowing (3 year term)

Lenders: Mizuho Corporate Bank, Ltd., Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Banking Corporation, Sumitomo Trust and Banking Co., Ltd., Shinsei Bank, Ltd., and The Norinchukin Bank

Drawdown date	Amount	Repayment date (Note 1)	Applicable Period of Interest	Interest rate (per annum)
December 4, 2006	25 billion yen	November 30, 2009	From March 1, 2008 to May 30, 2008	1.15167% (Note 3)

3. Long term borrowing (3 year term)

Lenders: Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Corporate Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Shinsei Bank, Ltd., and The Norinchukin Bank

Drawdown date	Amount	Repayment date (Note 1)	Applicable Period of Interest	Interest rate (per annum)
November 30, 2007	8 billion yen	November 30, 2010	From March 1, 2008 to May 30, 2008	1.15167% (Note 4)

3. Long term borrowing (3 year term)

Lenders: Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Trust and Banking Co. Ltd., and

Sumitomo Mitsui Banking Corporation

Drawdown date	Amount	Repayment date (Note 1)	Applicable Period of Interest	Interest rate (per annum) (Note 5)
November 30, 2007	5 billion yen	November 30, 2010	From March 1, 2008 to May 30, 2008	1.15167%

- (Note 1) 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 immediately prior shall be the repayment date.
- (Note 2) An interest rate swap agreement has been entered on November 30, 2006 with the notional principal amount of 15 billion yen. The real interest rate until the repayment date for the said notional principal amount is 1.28500% (per annum).
- (Note 3) An interest rate swap agreement has been entered on November 30, 2006 with the notional principal amount of 25 billion yen. The real interest rate until the repayment date for the said notional principal amount is 1.49850% (per annum).
- (Note 4) An interest rate swap agreement has been entered on November 15, 2007 with the notional principal amount of 8 billion yen. The real interest rate until the repayment date for the said notional principal amount is 1.37500% (per annum).
- (Note 5) An interest rate swap agreement has been entered on November 28, 2007 with the notional principal amount of 5 billion yen. The real interest rate until the repayment date for the said notional principal amount is 1.35470% (per annum).

MHR will announce the interest rates applicable for the period after May 31, 2008 as soon as they are determined.

- This press release was distributed to the Kabuto Club (the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure and Transport Press Club, and the Ministry of Land, Infrastructure and Transport Press Club for Construction Publications.
- MHR's website address is <http://www.mori-hills-reit.co.jp>