



August 26, 2009

For Translation Purposes Only

Real Estate Investment Fund Issuer:
Mori Hills REIT Investment Corporation
(Securities Code: 3234)
6-10-1 Roppongi, Minato-ku, Tokyo
Hiroshi Mori, Executive Director

Asset Manager:
Mori Building Investment Management Co., Ltd.
6-10-1 Roppongi, Minato-ku, Tokyo
Hiroshi Mori, President
Inquiries: Takahiro Shimizu
General Manager, Financial Department
TEL: +81-3-6406-9300

MHR Announces Information on Borrowing

Mori Hills REIT Investment Corporation (MHR) resolved at its Board of Directors Meeting held today to approve the borrowing agreements which are to be allocated to the refinancing of 7 billion yen in short-term debt that have a maturity date of August 31, 2009.

1. Purpose of Borrowings

For repayment of Existing Short-term Borrowings

(Please refer to “MHR Announces Information on Borrowing and Conclusion of Interest Rate Swap Agreement” disclosed on September 26, 2008 for details.)

2. Content of Borrowings and Determined Interest Rate

(1) Short-term Borrowings (Maturity of 1 year)

- a) Lenders: Mitsubishi UFJ Trust and Banking Corporation, Mizuho Corporate Bank, Ltd., The Sumitomo Trust and Banking Co., Ltd. and Sumitomo Mitsui Banking Corporation
- b) Borrowing amount: 5,500 million yen
- c) Interest rate: Basic Interest Rate +1.00%
(Japanese Bankers Association Yen TIBOR is used as basic interest rate corresponding to the calculated period. MHR will announce the interest rate to be applied as soon as it is determined.)
- d) Scheduled drawdown date: August 31, 2009
- e) Method of borrowing: MHR will enter into loan agreements August 27, 2009 with the lenders listed above in a).
- f) Interest payment date: The first interest payment date shall be September 30, 2009. Subsequent interest payment dates shall be either one week, two weeks, one month, two months, three months or six months from the first interest payment date, to be chosen by the borrower (includes the same day) (however, if the chosen 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 before shall be the payment date).
- g) Principal repayment date: August 31, 2010 (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.)
- h) Method of repayment: To be repaid in full on the principal repayment date
- i) Collateral: Unsecured/Unguaranteed
- (2) Long-term Borrowings (Maturity of three years)
- a) Lender: Bank of Tokyo-Mitsubishi UFJ, Ltd.
- b) Borrowing amount: 1,500 million yen
- c) Interest rate: Basic Interest Rate +1.40%
(Japanese Bankers Association Yen TIBOR is used as basic interest rate corresponding to the calculated period. MHR will announce the interest rate to be applied as soon as it is determined.)
- d) Scheduled drawdown: August 31, 2009
- e) Method of borrowing: MHR will enter into loan agreements August 27, 2009 with the lenders listed above in a).
- f) Interest payment date: The first interest payment date shall be September 30, 2009. Subsequent interest payment dates shall be either one week, two weeks, one month, two months, three months or six months from the first interest payment date, to be chosen by the borrower (includes the same day) (however, if the chosen 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 before shall be the payment date).
- g) Principal repayment date: August 31, 2012 (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.)
- h) Method of repayment: To be repaid in full on the principal repayment date
- i) Collateral: Unsecured/Unguaranteed

3. Borrowing Amount, etc. after the Additional Borrowings

(unit: billions of yen)

	Before Borrowings	After Borrowings	Change
Short-term debt	15.0	13.5	-15
Current portion of long-term debt	35.0	35.0	0
Long-term debt	54.0	55.5	+15
Total debt	104.0	104.0	0
Investment corporation bonds	10.0	10.0	0
Total of debt and investment corporation bonds	114.0	114.0	0
Total interest-bearing debt	114.0	114.0	0



HILLS REIT

- 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>