

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
Isobe Hideyuki, President & CEO
Inquiries: Takahiro Shimizu
Acting General Manager,
Administration Department
TEL: +81-3-6406-9300

MHR Announces Information on Borrowings

Mori Hills REIT Investment Corporation (hereinafter “MHR”) resolved at a Board of Directors’ meeting held today the following with regard to the borrowing agreements (hereinafter “Borrowings”) which are to be allocated to the refinancing of 5,500 million yen in short-term borrowings (hereinafter “Existent Short-Term Borrowings”) that mature on August 31, 2010.

1. Content of Borrowings and Determined Interest Rate

(1) Short-term borrowings (maturity of 1 year)

- | | |
|------------------------------|--|
| a) Lenders (planned): | Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, and The Sumitomo Trust and Banking Co., Ltd. |
| b) Borrowing amount: | 5,500 million yen |
| c) Interest rate: | Base Interest Rate +1.00%
(The Japanese Bankers Association Yen TIBOR is used as the base 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, 2010 |
| e) Method of borrowing: | MHR will enter into loan agreements on August 27, 2010 with the lenders (planned) listed above in a). |
| f) Interest payment date: | The first interest payment date shall be the last day of September 2010. Subsequent interest payment dates shall be the last day of every month, and the last payment date shall be the principal repayment date. (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, 2011 (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. Purpose of Borrowings

For repayment of Existing Short-Term Borrowings (Please refer to “MHR Announces Information on Borrowings” disclosed on August 26, 2009 for details).

3. Amount of Funds to be Procured, Specific Use of Funds and Planned Payment Period

- (1) Amount of funds to be procured: 5,500 million yen
- (2) Specific use of funds to be procured and planned payment period
 - a) Specific use of funds to be procured: Repayment of existing short-term borrowings
 - b) Amount: 5,500 million yen
 - c) Planned payment period: August 31, 2010

4. Borrowing Amount, etc. after the Additional Borrowings

(unit: millions of yen)

	Before the borrowings	After the borrowings	Change
Short-term borrowings	8,510	8,510	0
Long-term borrowings	80,337.5	80,337.5	0
Total borrowings	88,847.5	88,847.5	0
Investment corporation bonds	20,000	20,000	0
Total of borrowings and investment corporation bonds	108,847.5	108,847.5	0
Total interest-bearing borrowings	108,847.5	108,847.5	0

(Note) Long-term borrowings include the current portion of long-term loans payable.

5. Other Mandatory Items for Investors to Appropriately Understand/Judge the Concerned Information

As for risk regarding repayment of the concerned borrowings, etc., there are no changes to the content for investment risk indicated in the Semiannual Securities Report (Japanese) submitted on April 28, 2010.

- 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>