

For Translation Purposes Only

Real Estate Investment Fund Issuer:
Mori Hills REIT Investment Corporation
(Securities Code: 3234)
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Hiroshi Mori, Executive Director

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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 3,010 million yen and to a portion of the repayment of 5,060 million yen in short-term borrowings (hereinafter “Existent Short-Term Borrowings”) that mature on March 29, 2010.

1. Content of Borrowings and Determined Interest Rate

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

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|------------------------------|--|
| a) Lenders (planned): | Mizuho Corporate Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Sumitomo Trust and Banking Co., Ltd and Sumitomo Mitsui Banking Corporation. |
| b) Borrowing amount: | 3,010 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: | March 29, 2010 |
| e) Method of borrowing: | MHR will enter into loan agreements on March 25, 2010 with the lenders (planned) listed above in a). |
| f) Interest payment date: | The first interest payment date shall be the last day of April 2010. Subsequent interest payment dates shall be the last day of every month, and the last payment date shall be March 29, 2011. (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: | March 29, 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

Furthermore, the remaining 2,050 million yen of the Existent Short-Term Borrowings of 5,060 million yen, after subtracting the 3,010 million yen for refinancing, will be allocated with the proceeds (approximate 13,562 million yen) from the issuance of new investment units whose payment has completed on March 23, 2010. Please refer to “MHR Announces Determination of Pricing, etc. for the Issuance of New Investment Units and Primary and Secondary Offerings” disclosed on March 15, 2010 for details.

2. Purpose of Borrowings

For allocation to refinance a portion of the repayment of the Existent Short-Term Borrowings. (Please refer to “MHR Announces Information on Borrowings” disclosed on March 17, 2009 for details.)

3. Specific Use of Funds and Planned Payment Period

- (1) Amount of funds to be procured: 3,010 million yen
- (2) Specific use of funds to be procured and planned payment period

Specific use of funds	Amount	Planned payment period
Allocation to refinance a portion of the repayment of the Existent Short-Term Borrowings	3,010 million yen	March 29, 2010

4. Borrowing Amount, etc. after the Additional Borrowings

(unit: millions of yen)

	Before the borrowings	After the borrowings	Change
Short-term borrowings	10,560	8,510	(2,050)
Long-term borrowings	90,450	90,400	(50)
Total borrowings	101,010	98,910	(2,100)
Investment corporation bonds	10,000	10,000	0
Total of borrowings and investment corporation bonds	111,010	108,910	(2,100)
Total interest-bearing borrowings	111,010	108,910	(2,100)

(Note 1) Long-term borrowings include the current portion of long-term loans payable.

(Note 2) The decrease in the long-term borrowings of 50 million yen reflects the repayment of original principal to the Development Bank of Japan Inc. during the period.

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 October 29, 2009.

- 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>