

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 (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 8,000 million yen and 5,000 million yen in long-term borrowings (hereinafter “Existent long-term borrowings”) that mature on November 30, 2010.

#### 1. Content of Borrowings

##### (1) Long-term borrowings (maturity of 3 year)

- |                             |   |
|-----------------------------|---|
| a) Lenders (planned):       | Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank, Ltd., Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Sumitomo Trust and Banking Co., Ltd., and The Norinchukin Bank  |
| b) Borrowing amount:        | 7,100 million yen   |
| c) Interest rate:           | Base Interest Rate +1.40%<br>(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: | November 30, 2010   |
| e) Method of borrowing:     | MHR will enter into loan agreements on November 26, 2010 with the lenders (planned) listed above in a).   |
| f) Interest payment date:   | The first interest payment date shall be the last day of December 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: November 30, 2013 (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 3 year)

- a) Lenders (planned): Shinsei Bank, Ltd., The Oita Bank Ltd., ShinGinko Tokyo, Limited and The Hiroshima Bank, Ltd.
- b) Borrowing amount: 3,900 million yen
- c) Interest rate: Undecided (Fixed-rate)  
(MHR will announce the interest rate to be applied as soon as it is determined.)
- d) Scheduled drawdown date: November 30, 2010
- e) Method of borrowing: MHR will enter into loan agreements on November 26, 2010 with the lenders (planned) listed above in a).
- f) Interest payment date: The first principal payment date shall be the last day of May 2011. Subsequent principal payment dates shall be the last day of May and November every year. (However, if the above 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: November 30, 2013 (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, other than the concern borrowings, MHR entered into a loan agreement of 2,000 million yen with The Bank of Fukuoka, Ltd. as of September 30, 2010. (The scheduled drawdown date is November 30, 2010. Please refer to “MHR Announces Information on Borrowings” disclosed on September 28, 2010 for details.)

2. Purpose of Borrowings

For repayment in part of existing long-term borrowings (Please refer to “MHR Announces Information on Borrowing, Repayment and Conclusion of Interest Rate Swap Agreement” disclosed on November 28, 2007 for details).

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

- (1) Amount of funds to be procured: 11,000 million yen
- (2) Specific use of funds to be procured and planned payment period
  - a) Specific use of funds to be procured: Repayment in part of existing long-term borrowings
  - b) Amount: 11,000 million yen
  - c) Planned payment period: November 30, 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	80,287.5	80,225	(62.5)
Total borrowings	88,797.5	88,735	(62.5)
Investment corporation bonds	20,000	20,000	0
Total of borrowings and investment corporation bonds	108,797.5	108,735	(62.5)
Total interest-bearing borrowings	108,797.5	108,735	(62.5)

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

(Note 2) The decrease in the long-term borrowings of 62.5 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, 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>