



July 28, 2014

For Translation Purpose Only

MID REIT, Inc.
1-4-4 Dojimahama, Kita-ku, Osaka
Tomoyuki Goto
Executive Director
(Securities Code: 3227)

MID REIT Management Co., Ltd.
Tomoyuki Goto
President and CEO
Hirotaka Saito
Managing Director
General Manager, Finance & Planning Division
TEL. +81-6-6456-0700
E-mail:midrm-info@mid.co.jp

Notice Concerning Debt Financing

MID REIT, Inc. (hereafter “MID REIT”) today announced its decision to undertake debt financing and enter into agreements concerning the respective borrowings with lenders. Brief details are as follows.

1. Details of Borrowings

(1) Borrowings (3 years)

(a) Lenders	Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited. Sumitomo Mitsui Banking Corporation Shinkin Central Bank The Senshu Ikeda Bank, Ltd.
(b) Amount	¥6,000 million
(c) Interest Rate	Base Interest Rate (The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association) + 0.50% (Note 1)
(d) Drawdown Date	July 31, 2014
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on August 29, 2006, and individual term loan agreements executed between MID REIT and the lenders listed in (1) above.
(f) Interest Payment Date	The last business days in January, April, July and October of each year, as well as the principal repayment date.
(g) Principal Repayment Date	July 31, 2017 (Note 2)
(h) Repayment Method	Principal repayment in full on maturity
(i) Collateral	Unsecured, Unguaranteed

Note: This press release provides information regarding MID REIT's debt financing, and is not prepared as an inducement or invitation for investment. All readers are advised to consult their own investment advisors before investing in MID REIT. Investment decisions are investors' sole discretion and responsibility and are made at their own risk. MID REIT and its affiliates disclaim any responsibility or liability for the consequence of investment in MID REIT.



(2) Borrowings (5 years)

(a) Lenders	Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited. Sumitomo Mitsui Banking Corporation Resona Bank, Limited.
(b) Amount	¥4,000 million
(c) Interest Rate	Base Interest Rate (The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association) + 0.70% (Note 1)
(d) Drawdown Date	July 31, 2014
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on August 29, 2006, and individual term loan agreements executed between MID REIT and the lenders listed in (1) above.
(f) Interest Payment Date	The last business days in January, April, July and October of each year, as well as the principal repayment date.
(g) Principal Repayment Date	July 31, 2019 (Note 2)
(h) Repayment Method	Principal repayment in full on maturity
(i) Collateral	Unsecured, Unguaranteed

(3) Borrowings (6 years)

(a) Lenders	Mizuho Bank, Ltd. The Hiroshima Bank, Ltd. Sony Bank Incorporated
(b) Amount	¥2,000 million
(c) Interest Rate	Base Interest Rate (The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association) + 0.80% (Note 1)
(d) Drawdown Date	July 31, 2014
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on August 29, 2006, and individual term loan agreements executed between MID REIT and the lenders listed in (1) above.
(f) Interest Payment Date	The last business days in January, April, July and October of each year, as well as the principal repayment date.
(g) Principal Repayment Date	July 31, 2020 (Note 2)
(h) Repayment Method	Principal repayment in full on maturity
(i) Collateral	Unsecured, Unguaranteed

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(4) Borrowings (7 years)

(a) Lenders	Mizuho Bank, Ltd. Aozora Bank, Ltd.
(b) Amount	¥1,800 million
(c) Interest Rate	Base Interest Rate + 0.90% (fixed interest rate) (Note 3)
(d) Drawdown Date	July 31, 2014
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on August 29, 2006, and individual term loan agreements executed between MID REIT and the lenders listed in (1) above.
(f) Interest Payment Date	The last business days in January, April, July and October of each year, as well as the principal repayment date.
(g) Principal Repayment Date	July 31, 2021 (Note 2)
(h) Repayment Method	Principal repayment in full on maturity
(i) Collateral	Unsecured, Unguaranteed

Notes:

1. The base interest rate applicable to the calculation period for the interest to be paid on the interest payment date is the Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association (JBA) two business days preceding the interest payment date. However, in the event the calculation period is a period of less than 3 months, the base interest rate is calculated based on the method stipulated in the agreements. For JBA's Japanese Yen TIBOR, please check with the JBA TIBOR Administration's website (<http://www.jbatibor.or.jp/english/>).
2. Repayment day shall be the day immediately following any repayment date if such repayment date is not a business day. However, the repayment day shall be the day preceding the repayment date if such repayment date falls into the next month.
3. The base interest rate is the interest rate based on a swap offered rate two business days preceding the drawdown date corresponding to the borrowing period plus the TIBOR/LIBOR spread (converted to 365 days). The interest rate will be announced once it is determined.

2. Rationale

Proceeds from the latest debt financing will be used for refinancing the borrowing of 13,800 million yen that will reach maturity on July 31, 2014.

3. Amount, Use and Scheduled Date of Expenditure of Proceeds

- | | | |
|-----------------------------------|---|-------------------------------------|
| (1) Amount to be borrowed | : | 13,800 million yen |
| (2) Specific use of proceeds | : | Refinancing of long-term borrowings |
| (3) Scheduled date of expenditure | : | July 31, 2014 |

4. Status of Debt after Debt Financing (As of July 31, 2014)

(Millions of yen)

	Amount Prior to Debt Financing	Amount After Debt Financing	Change
Short-Term Borrowings	—	—	—
Current Portion of Long-Term Borrowings	29,050	15,250	(13,800)
Long-Term Borrowings	36,250	50,050	13,800
Total Borrowings	65,300	65,300	—
Investment Corporation Bonds	—	—	—
Total Interest-Bearing Debt	65,300(Note)	65,300 (Note)	—

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Notes:

1. Indicates the amount of debt after the scheduled repayment of 125 million yen due at the end of July 2014 related to the borrowing of 5.0 billion yen as announced on March 31, 2010 in the release entitled “Notice Concerning Debt Financing.”

5. Other Matters for Investors to Appropriately Understand and Evaluate the Above

There is no significant change to the content of “Investment Risks” presented in the *yuka shoken bokokusho* (securities report) submitted on March 25, 2014, with respect to the risks involved in repayment etc. due to this debt financing.

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