

July 9, 2015

**For Translation Purpose Only**

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## Notice Concerning Debt Financing

MCUBS MidCity Investment Corporation (hereafter “MCUBS MidCity”) today announced its decision to undertake debt financing (hereafter the “Borrowings”). Brief details are as follows.

### 1. Details of the Borrowings

- ① Funds for acquisition of trust beneficiary interests in domestic real estate (4 properties) and silent partnership interest in asset backed by domestic real estate (1 property)  
Borrowings of 25,000 million yen will be made to allocate the funds for part of the acquisition of assets (hereafter “Assets to be Acquired”) described in “Notice Concerning Acquisition of Trust Beneficiary Interest in Domestic Real Estate and Their Lease, and Acquisition of Silent Partnership Interests (Five Office Buildings)” separately announced today by MCUBS MidCity, and such.

#### (1) Borrowings (3 years)

(a) Lenders	Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Ltd., Sumitomo Mitsui Banking Corporation, Aozora Bank, Ltd., Resona Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Senshu Ikeda Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., The Nishi-Nippon City Bank, Ltd., Mizuho Trust & Banking Co., Ltd., The Hyakugo Bank, Ltd.
(b) Amount	¥10,500 million
(c) Interest Rate	The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association) + 0.4% (Note 1)
(d) Drawdown Date	July 31, 2015
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement

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	executed on July 8, 2015, and individual term loan agreements executed between MCUBS MidCity and the lenders listed in (a) 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, 2018 (Note 2)
(h) Repayment Method	Principal repayment in full on maturity
(i) Collateral	Unsecured, Unguaranteed

(2) Borrowings (5 years)

A. Borrowings with floating interest rate

(a) Lenders	Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Ltd., Sumitomo Mitsui Banking Corporation, Aozora Bank, Ltd., Resona Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Trust & Banking Co., Ltd.
(b) Amount	¥9,300 million
(c) Interest Rate	The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association (fixed through interest-rate swap agreement (Note 3)) + 0.6% (Note 1)
(d) Drawdown Date	July 31, 2015
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on July 8, 2015, and individual term loan agreements executed between MCUBS MidCity and the lenders listed in (a) 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

B. Borrowings with fixed interest rate

(a) Lender	Development Bank of Japan Inc.
(b) Amount	¥1,200 million
(c) Interest Rate	To be determined (planned to be borrowed with fixed interest rate) (Note 4)
(d) Drawdown Date	July 31, 2015
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on July 8, 2015, and individual term loan agreements executed between MCUBS MidCity and the lender listed in (a) 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)

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(h) Repayment Method	Principal repayment in full on maturity
(i) Collateral	Unsecured, Unguaranteed

(3) Borrowings (7 years)

A. Borrowings with floating interest rate

(a) Lenders	Mizuho Bank, Ltd., Aozora Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Trust & Banking Co., Ltd.
(b) Amount	¥2,200 million
(c) Interest Rate	The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association (fixed through interest-rate swap agreement (Note 3)) + 0.8% (Note 1)
(d) Drawdown Date	July 31, 2015
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on July 8, 2015, and individual term loan agreements executed between MCUBS MidCity and the lenders listed in (a) 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, 2022 (Note 2)
(h) Repayment Method	Principal repayment in full on maturity
(i) Collateral	Unsecured, Unguaranteed

B. Borrowings with fixed interest rate

(a) Lender	Development Bank of Japan Inc.
(b) Amount	¥800 million
(c) Interest Rate	To be determined (planned to be borrowed with fixed interest rate) (Note 4)
(d) Drawdown Date	July 31, 2015
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on July 8, 2015, and individual term loan agreements executed between MCUBS MidCity and the lender listed in (a) 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, 2022 (Note 2)
(h) Repayment Method	Principal repayment in full on maturity
(i) Collateral	Unsecured, Unguaranteed

(4) Borrowings (8 years)

A. Borrowings with floating interest rate

(a) Lender	Mizuho Bank, Ltd.
(b) Amount	¥500 million
(c) Interest Rate	The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association

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	(fixed through interest-rate swap agreement (Note 3)) + 0.9% (Note 1)
(d) Drawdown Date	July 31, 2015
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on July 8, 2015, and individual term loan agreements executed between MCUBS MidCity and the lender listed in (a) 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, 2023 (Note 2)
(h) Repayment Method	Principal repayment in full on maturity
(i) Collateral	Unsecured, Unguaranteed

#### B. Borrowings with fixed interest rate

(a) Lender	Development Bank of Japan Inc.
(b) Amount	¥500 million
(c) Interest Rate	To be determined (planned to be borrowed with fixed interest rate) (Note 4)
(d) Drawdown Date	July 31, 2015
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on July 8, 2015, and individual term loan agreements executed between MCUBS MidCity and the lender listed in (a) 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, 2023 (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. Interest rate will be fixed due to the conclusion of a swap agreement. The interest rate will be announced once it is determined.
4. The interest rate will be announced once it is determined.

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② Funds for repayment of borrowings

Borrowings of 15,000 million yen will be made to allocate the funds for the repayment of borrowings of 15,000 million yen which will be due for repayment on July 31, 2015.

(1) Borrowings (4 years)

(a) Lenders	Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, Resona Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Shinkin Central Bank, The Senshu Ikeda Bank, Ltd., The Nanto Bank, Ltd.
(b) Amount	¥9,500 million
(c) Interest Rate	The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association) + 0.5% (Note 1)
(d) Drawdown Date	July 31, 2015
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on July 8, 2015, and individual term loan agreements executed between MCUBS MidCity and the lenders listed in (a) 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

(2) Borrowings (6 years)

(a) Lenders	Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, Resona Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Senshu Ikeda Bank, Ltd.
(b) Amount	¥4,500 million
(c) Interest Rate	The Three-month TIBOR (Tokyo Interbank Offered Rate for Japanese Yen published by the Japanese Bankers Association (fixed through interest-rate swap agreement (Note 3)) + 0.7% (Note 1)
(d) Drawdown Date	July 31, 2015
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on July 8, 2015, and individual term loan agreements executed between MCUBS MidCity and the lenders listed in (a) 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

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**(3) Borrowings (8 years)**

(a) Lender	Mizuho Bank, Ltd.
(b) Amount	¥1,000 million
(c) Interest Rate	The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association (fixed through interest-rate swap agreement (Note 3)) + 0.9% (Note 1)
(d) Drawdown Date	July 31, 2015
(e) Borrowing Method	The debt financing is based on a Basic Loan Agreement executed on July 8, 2015, and individual term loan agreements executed between MCUBS MidCity and the lender listed in (a) 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, 2023 (Note 2)
(h) Repayment Method	Principal repayment in full on maturity
(i) Collateral	Unsecured, Unguaranteed

**Notes:**

- 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/>).
- 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.
- Interest rate will be fixed due to the conclusion of a swap agreement. The interest rate will be announced once it is determined.

**2. Amount, Use and Scheduled Date of Expenditure of Proceeds**

	Amount to be Borrowed	Scheduled Date of Expenditure
① Funds for acquiring assets to be acquired, etc.	25,000 million yen	August 3, 2015 and August 7, 2015
② Funds for repayment of borrowings	15,000 million yen	July 31, 2015

**3. Status of Debt after the Borrowings (As of July 31, 2015)**

(Millions of yen)

	Amount Prior to the Borrowings	Amount After the Borrowings	Change
Short-Term Borrowings	2,500	2,500	—
Current Portion of Long-Term Borrowings	35,150	20,150	-15,000
Long-Term Borrowings	30,025	69,900	39,875
Total Borrowings	67,675	92,550	24,875
Investment Corporation Bonds	—	—	—
Total Interest –Bearing Debt	67,675	92,550 (Note)	24,875

Note: Indicates the amount of debt after the scheduled repayment of 125 million yen due at the end of July 2015 related to the borrowings of 5,000 million yen as announced in the release entitled "Notice Concerning Debt Financing" dated March 31, 2010.

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#### **4. Other Matters for Investors to Appropriately Understand and Evaluate the Above**

With respect to the risks involved in repayment etc. due to the Borrowings, please refer to “Chapter 2 Reference Information, 2. Supplemental Information to Reference Document (4) Investment Risks” presented in the *yuka shoken todokedesho* (securities registration statement) submitted today, in addition to “Investment Risks” presented in the *yuka shoken hokokusho* (securities report) (17th fiscal period) submitted on March 25, 2015.

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