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For Translation Purpose Only

Investment Corporation

MCUBS MidCity Investment Corporation

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Notice Concerning Debt Financing

MCUBS MidCity Investment Corporation (hereafter "MCUBS MidCity") announced today that it has decided to obtain ¥11,000 million debt financing (hereafter "Borrowings") as described below.

1. Details of Borrowings

	Lender(s)	Amount outstanding	Debt term	Interest rate (Note 1, 2)		Execution date	Anticipated borrowing date	Method of borrowing, repayment of principal	Maturity date
Loan 1	Mizuho Bank, Ltd., Development Bank of Japan, Inc.	¥2,700 million	8 years	Fixed	To be determined	January 29, 2018	February 28, 2018	Unsecured and unguaranteed, lump sum repayment	February 27, 2026
Loan 2	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥1,200 million	7 years	Fixed	To be determined				February 28, 2025
Loan 3	Aozora Bank, Ltd., The Nishi-Nippon City Bank, Ltd., The Bank of Fukuoka, Ltd.	¥2,700 million	7 years	Fixed	To be determined				February 28, 2023
Loan 4	Sumitomo Mitsui Trust Bank, Limited, Sumitomo Mitsui Banking Corporation	¥2,400 million	5 years	Floating	Base interest rate (JBA 3-month yen TIBOR) +0.30%				February 28, 2019
Loan 5	Mizuho Bank, Ltd.	¥2,000 million	1 year	Floating	Base interest rate (JBA 1-month yen TIBOR) + 0.17%				

Notes:

- Interest rates applied to Loan 1, 2 and 3 will be notified later upon determination. The base interest rate applied to the calculation period of Loan 4 interests to be paid on the interest payment date will be the 3-month Japanese yen TIBOR on a day two business days prior to such interest payment date. If such calculation period is less than three months, the base interest rate will be calculated using the methodology stipulated in the loan agreement. The base interest rate applied to the calculation period of Loan 5 interests to be paid on the interest payment date will be the 1-month Japanese yen TIBOR on a day two business days prior to such interest payment date. If such calculation period is less than one month, the base interest rate will be calculated using the methodology stipulated in the loan agreement. For JBA Japanese yen TIBOR, please check the website of JBATA (<http://www.jbatibor.or.jp/>).
- Interest payment dates for Loan 1, 2, 3 and 4 are the last business days of January, April, July and October of every year and the principal repayment date (the next business day if the corresponding date falls on a non-business day, and the preceding business day if such next business day is included in the next month).

Note: This press release provides information regarding MCUBS MidCity'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 MCUBS MidCity. Investors are advised to read Prospectus Concerning the Issue and Sale of New Investment Units and its corrections (if prepared) before making investment decisions, which are investors' sole discretion and responsibility and are made at their own risk. MCUBS MidCity and its affiliates disclaim any responsibility or liability for the consequence of investment in MCUBS MidCity.

2. Reason for Borrowings

The funds will be used for the acquisition of four properties announced at the press release “Notice Regarding Acquisition and Leasing of Trust Beneficiary Interests in Domestic Real Estates (Acquisition of Four Office Buildings)” as of today, and related expenses.

3. Status of interest-bearing debt after the Borrowings (As of February 28, 2018)

(Millions of yen)

	Before	After	Change
Short-term borrowings	0	0	—
Long-term borrowings	98,975	109,975	+11,000
Total borrowings	98,975	109,975	+11,000
Investment corporation bonds	6,000	6,000	—
Total interest-bearing debt	104,975	115,975	+11,000

Note:

1. Loan 5 is classified into Long-term borrowings, as its debt term exceeds one year by one day.

4. Other

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 (3) 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) (22nd fiscal period) submitted on September 28, 2017.

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