

November 5, 2019

To all concerned parties:

Investment Corporation

**MCUBS MidCity Investment Corporation**

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Asset Management Company

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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 follows.

## 1. Details of Borrowings

Loan	Lender(s)	Amount outstanding	Borrowing period	Interest rate (Note 1, 2)		Execution date	Anticipated borrowing date	Method of borrowing, repayment of principal	Maturity date (Note 3)
				Fixed	To be determined				
Loan 1	Mizuho Bank, Ltd.	¥1,700 million	10.0 years	Fixed	To be determined	November 5, 2019	November 21, 2019	Unsecured and unguaranteed, lump sum repayment	November 21, 2029
Loan 2	MUFG Bank, Ltd.	¥1,300 million	10.0 years	Fixed	To be determined				November 21, 2029
Loan 3	Development Bank of Japan, Inc., The Nishi-Nippon City Bank, Ltd., The Bank of Fukuoka, Ltd.	¥3,100 million	9.5 years	Fixed	To be determined				May 21, 2029
Loan 4	Sumitomo Mitsui Trust Bank, Limited	¥2,000 million	6.5 years	Floating	Base interest rate (JBA 3-month yen TIBOR) +0.3001%				May 21, 2026
Loan 5	Sumitomo Mitsui Banking Corporation	¥2,000 million	4.5 years	Floating	Base interest rate (JBA 3-month yen TIBOR) +0.26%				May 21, 2024
Loan 6	Mizuho Bank, Ltd., MUFG Bank, Ltd.	¥900 million	4.0 years	Floating	Base interest rate (JBA 3-month yen TIBOR) +0.25%				November 21, 2023
	Total / Average borrowing period / Average interest rate	¥11,000 million	7.7 years (Note 4)		0.51% (Note 5)				

Note: This press release provides information regarding MCUBS MidCity's debt financing and is not prepared as an inducement or invitation for investment. 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. This press release does not constitute an offer of securities in the United States of America. The investment units have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"). The investment units may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The investment units referred to above will not be publicly offered or sold in the United States.

## Notes:

- Interest rates applied to Loan 1, 2 and 3 will be notified later upon determination. For Loan 4, although a borrowing contract is based on a floating interest rate, we intend to enter into an interest rate swap agreement before the anticipated borrowing date to fix the interest rate after the anticipated borrowing date. There is a possibility that interest rate swap agreement will not be concluded depending on the trend of interest rates. The base interest rate applied to the calculation period of Loan 4, 5 and 6 interests to be paid on the interest payment date will be the 3-month Japanese yen TIBOR on the 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. For JBA Japanese yen TIBOR, please check the website of JBATA (<http://www.jbatibor.or.jp/english/>).
- Interest payment dates 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, or, the preceding business day if such next business day is included in the next month).
- The next day if the maturity date falls on a non-business day, or, the preceding business day if such next business day is included in the next month.
- "Average borrowing period" indicates the weighted average of respective borrowing periods until the maturity as of November 21, 2019 based on the amount of borrowings.
- "Average interest rate" indicates the weighted average of the interest rate calculated based on the base interest rate as of October 4, 2019, based on the amount of borrowings. The interest rate swap agreement is not factored into the above calculation.

## 2. Reason for Borrowings

The funds will partially be used for the acquisition of three properties announced in the press release "Notice Regarding Acquisition and Leasing of Trust Beneficiary Interests in Domestic Real Estates (Acquisition of Two Office Properties and One Hotel Property)" as of today, and related expenses.

## 3. Status of interest-bearing debt after the Borrowings (As of November 21, 2019)

(Millions of yen)

	Before	After	Change
Short-term borrowings	0	0	-
Long-term borrowings	107,975	118,975	+11,000
Total borrowings	107,975	118,975	+11,000
Investment corporation bonds	8,000	8,000	-
Total interest-bearing debt	115,975	126,975	+11,000

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