

July 29, 2020

To all concerned parties:

Investment Corporation

MCUBS MidCity Investment Corporation

Representative: Katsuhiko Tsuchiya, Executive Director

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Notice Concerning Debt Financing (Determination of Interest Rates)
and Conclusion of Interest-Rate Swap Agreement

Regarding new debt financing in the press release “Notice Concerning Debt Financing” dated July 20, 2020, MCUBS MidCity Investment Corporation announced that the applicable interest rates for the borrowings have been determined as described below.

Additionally, it also announced that it has concluded an interest-rate swap agreement in connection with the new borrowing which was planned to enter into on July 31, 2020, as described below.

1. Determination of interest rate

Loan	Lender(s)	Amount outstanding	Debt term	Interest rate (Note1)		Anticipated borrowing date	Method of borrowing, repayment of principal	Maturity date (Note2)
Loan 1	Mizuho Bank, Ltd., Aozora Bank, Ltd, Mizuho Trust & Banking Co., Ltd.	¥3,350 million	10 years	Fixed	<u>0.72630%</u>	July 31, 2020	Unsecured and unguaranteed, lump sum repayment	July 31, 2030
Loan 2	MUFG Bank, Ltd.	¥1,100 million	10 years	Fixed	<u>0.74000%</u>			July 31, 2030
Loan 3	Mizuho Bank, Ltd., Development Bank of Japan, Inc., Resona Bank, Limited.	¥3,700 million	9.5 years	Fixed	<u>0.69130%</u>			Jan. 31, 2030
Loan 4	MUFG Bank, Ltd.	¥700 million	9.5 years	Fixed	<u>0.70500%</u>			Jan. 31, 2030
Loan 5	The Bank of Fukuoka, Ltd.	¥750 million	9 years	Fixed	<u>0.65630%</u>			July 31, 2029
Loan 7	The Minato Bank, Limited	¥800 million	7.5 years	Fixed	<u>0.55255%</u>			Jan. 31, 2028
Loan 9	The Hiroshima Bank, Ltd.	¥500 million	4.5 years	Fixed	<u>0.37315%</u>			Jan. 31, 2025

Notes:

- 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, and the preceding business day if such next business day is included in the next month).
- 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.

2. New borrowing in connection with the interest-rate swap agreement

Loan	Lender(s)	Amount outstanding	Debt term	Interest rate		Anticipated borrowing date	Method of borrowing, repayment of principal	Maturity date (Note)
Loan 6	Sumitomo Mitsui Trust Bank, Limited	¥1,700 million	8 years	Floating	Base interest rate (JBA 3-month yen TIBOR) +0.375%	July 31, 2020	Unsecured and unguaranteed, lump sum repayment	July 31, 2028
Loan 8	Sumitomo Mitsui Banking Corporation	¥1,700 million	5 years	Floating	Base interest rate (JBA 3-month yen TIBOR) +0.279%			July 31, 2025

Note:

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.

3. Details of the interest-rate swap agreement

		Loan 6	Loan 8
1. Guarantor		MUFG Bank, Ltd.	MUFG Bank, Ltd.
2. Estimated principal		¥1,700 million	¥1,700 million
3. Interest rate	Fixed interest payment	0.53450%	0.38700%
	Variable interest receipt	Base interest rate (JBA 3-month yen TIBOR) +0.375%	Base interest rate (JBA 3-month yen TIBOR) +0.279%
4. Contract start date		July 31, 2020	July 31, 2020
5. Contract end date ^(Note2)		July 31, 2028	July 31, 2025
6. Interest payment dates		Fixed interest payment and variable receipt are due on the end of January, April, July and October of every year and on 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). The first payment date is October 31, 2020.	

Notes:

- The variable interest rate will be fixed at 0.53450% for Loan 6 and 0.38700% for Loan 8 with the interest-rate swap agreement.
- 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.