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November 8, 2012

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Notice Concerning New Loan (Refinance)

This is to inform you that Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) has resolved the below for the new loan (hereinafter called “new loan”) at the Board of Directors Meeting today:

1. Reason for the borrowing:

The new loan will be appropriated for repaying the present loan as follows:

Classification	Lenders	Date of borrowing	Loan balance	Repayment date
Facility B	Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. The Norinchukin Bank	August 24, 2007	JPY12.7532B	November 15, 2012
Total			JPY12.7532B	

The interest rate of the loan above is 1.9085% based on the Interest Rate Swap Agreement concluded on September 21, 2007.

2. Detail of the new loan:

(1) Facility O

- a. Lenders: Sumitomo Mitsui Banking Corporation
The Hiroshima Bank, Ltd.
The Tokyo Star Bank, Ltd.
- b. Amount of the borrowing: JPY1.6B
- c. Interest rate: Base interest rate (Japanese Yen TIBOR for three months in JBA) + 0.85% *
- d. Date of the borrowing: November 15, 2012
- e. Method of the borrowing: The term loan agreement (Facility O) with the lenders in a. above to be concluded on November 13, 2012 based on the

- Contract Modification Agreement between all lenders and Modification Agreement for the Base Agreement to be concluded on November 13, 2012.
- f. Interest payment date: The first interest payment date is November 30, 2012, and it will be paid on the last day of February, May, August and November every year afterwards (If the last day of the month was not business day, it will be paid on the business day immediately before the last day of the month.), and the date of the principal payment.
- g. Method of the principal payment: Lump-sum payment on the maturity date
- h. Date of the principal payment: November 15, 2015 (If it was not business day, it will be paid on the following business day.)
- i. Collateral: Mortgage is settled.
- (2) Facility P
- a. Lenders: Sumitomo Mitsui Banking Corporation
Mizuho Bank, Ltd.
The Norinchukin Bank
- b. Amount of the borrowing: JPY4.6532B
- c. Interest rate: Base interest rate (Japanese Yen TIBOR for three months in JBA) + 1.00% *
- d. Date of the borrowing: November 15, 2012
- e. Method of the borrowing: The term loan agreement (Facility P) with the lenders in a. above to be concluded on November 13, 2012 based on the Contract Modification Agreement between all lenders and Modification Agreement for the Base Agreement to be concluded on November 13, 2012.
- f. Interest payment date: The first interest payment date is November 30, 2012, and it will be paid on the last day of February, May, August and November every year afterwards (If the last day of the month was not business day, it will be paid on the business day immediately before the last day of the month.) and the date of the principal repayment.
- g. Method of the principal payment: Lump-sum payment on the maturity date
- h. Date of the principal repayment: March 26, 2016 (If it was not business day, it will be paid on the following business day.)
- i. Collateral: Mortgage is settled.
- (3) Facility Q
- a. Lenders: Sumitomo Mitsui Banking Corporation
Shinsei Bank, Ltd.
The Tokyo Star Bank, Ltd.
- b. Amount of the loan: JPY6.5B
- c. Interest rate: Base interest rate (Japanese Yen TIBOR for three months in JBA) + 1.05% *
- d. Date of the borrowing: November 15, 2012
- e. Method of the borrowing: The term loan agreement (Facility Q) with the lenders in a. above to be concluded on November 13, 2012 based on the Contract Modification Agreement between all lenders and Modification Agreement for the Base Agreement to be concluded on November 13, 2012.
- f. Interest payment date: The first interest payment date is November 30, 2012, and it will be paid on the last day of February, May, August and November every year afterwards (If the last day of the

- month was not business day, it will be paid on the business day immediately before the last day of the month) and the date of the principal repayment.
- g. Method of the principal repayment: Lump-sum payment on the maturity date
- h. Date of the principal repayment: November 15, 2017 (If it was not business day, it will be paid on the following business day.)
- i. Collateral: Mortgage is settled.

*Please refer to the website of Japanese Bankers Association for confirming the base interest rate (Japanese Yen TIBOR for three months in JBA) <http://www.zenginkyo.or.jp/tibor/>.

However, the base rate of the interest at the beginning and the end of the compounding interval is the interest rate (shown as the annual rate) practically settled by the individual agent as the offered rate for the debt-credit transaction in Japanese Yen at 11:00am or immediately before 11:00am for the period which is the most proximate to the compounding interval of this borrowing.

3. Status of the interest-bearing loans before and after the new loan

(JPY1M)

Classification		Before the new loan	After the new loan	Variance
	Short-term loan	3,887	3,887	0
	Long-term loan to be repaid within one year	17,413	4,660	-12,753
	Long-term loan	42,385	55,138	+ 12,753
Total loans		63,687	63,687	0
Investment Corporation Bond		2,000	2,000	0
Total interest-bearing debt		65,687	65,687	0

(The amount less than JPY1M is rounded off.)

4. Other

The new loan does not require important change to the “Risk related to the fund procurement by loan or Investment Corporation Bond” under the “Investment Risk” on the Securities Report submitted on August 28, 2012.