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March 22, 2013

REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)
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Notice Concerning New Loan (Refinance)

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

1. Reason for the new loan:

The new loan will be allocated to repay the following loan:

Category	Lenders	Date of borrowing	Loan balance	Repayment date
Tranche A	Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited The Chiba Bank, Ltd. Sampo Japan Insurance Inc. The Nomura Trust and Banking Co., Ltd.	March 30, 2012	JPY3.841980B	March 29, 2013
Total			JPY3.841980B	

2. Detail of the new loan:

(1) Tranche F

- a. Lenders: Sumitomo Mitsui Banking Corporation
The Chiba Bank, Ltd.
Sampo Japan Insurance Inc.
The Nomura Trust and Banking Co., Ltd.
- b. Amount of the new loan: JPY2.949980B
- c. Interest rate: Base interest rate (Japanese Yen TIBOR for three months in JBA) + 0.55% *
- d. Date of borrowing: March 29, 2013
- e. Method of borrowing: The Loan Agreement (Syndicated loan scheme) to be

- concluded with the lenders indicated on a. above on March 27, 2013 based on the Borrowing Agreement concluded on March 28, 2011 (including modification(s) occurred after March 28, 2011).
- f. Interest payment date: The interest will be firstly paid on June 30, 2013. Then, it will be paid on the last day of every three months afterward (If the last day of a month fell on a non-business day, the interest will be paid on a business day immediately before the last day of a month.) and the due date of the principal repayment.
- g. Method of the principal repayment: JPY7.750M will be firstly repaid on June 30, 2013, and the same amount will be repaid on the last day of every three months afterward. (If the last day of a month fell on a non-business day, repayment will be made on a business day immediately before the last day of a month.) The remaining loan amount will be paid at once on the repayment due date.
- h. Date of the principal repayment: March 31, 2014 (If it fell on a non-business day, it will be paid on the business day immediately before that day.)
- i. Collateral: Requested.

(2) Tranche G

- a. Lender: Sumitomo Mitsui Trust Bank, Limited
- b. Amount of the new loan: JPY882M
- c. Interest rate: Base interest rate (Japanese Yen TIBOR for three months in JBA) + 0.80% *
- d. Date of borrowing: March 29, 2013
- e. Method of borrowing: The Loan Agreement (Syndicated loan scheme) to be concluded with the lenders indicated on a. above on March 27, 2013 based on the Borrowing Agreement concluded on March 28, 2011 (including modification(s) occurred after March 28, 2011).
- f. Interest payment date: The interest will be firstly paid on June 30, 2013. Then, it will be paid on the last day of every three months afterward (If the last day of a month fell on a non-business day, the interest will be paid on a business day immediately before the last day of a month.) and the due date of the principal repayment.
- g. Method of the principal repayment: JPY2.250M will be firstly repaid on June 30, 2013, and the same amount will be repaid on the last day of every three months afterward. (If the last day of a month fell on a non-business day, repayment will be made on a business day immediately before the last day of a month.) The remaining loan amount will be paid at once on the repayment due date.
- h. Date of the principal repayment: March 31, 2017 (If it fell on a non-business day, it will be paid on the business day immediately before that day.)
- i. Collateral: Requested.

*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/>.

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

(JPY1M)

Category		Before the new loan	After the new loan (*1)	Variance
	Short-term loan	3,841	2,949	-892
	Long-term loan that will be repaid within one year	7,849	7,842	-7
	Long-term loan	51,525	52,248	+722
Total loans		63,216	63,040	-176
Investment Corporation Bond that will be redeemed within one year		2,000	2,000	0
Total interest-bearing debts		65,216	65,040	-176

(*1) The contractual repayment scheduled on March 29, 2013 is included in the numbers above.

(*2) The amount less than JPY1M is rounded down.

4. Other

The new loan does not require important change to the “Risk related to the fund procurement through loan or Investment Corporation Bond” under the “Investment Risk” of the Securities Report submitted on March 22, 2013.

* Website of Japan Hotel REIT Investment Corporation: <http://www.jhrth.co.jp/>