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REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)
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Notice Concerning New Loan (Conditions and interest rate, etc.)

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that the conditions and the interest rate have been determined for the new loan announced by the press release “Notice Concerning New Loan” dated April 2, 2013 as follows:

1. The amount of the borrowing

The borrowing of JPY10B (plan) was announced by the press release above but the amount has been changed to JPY8.9B.

2. Detail of the new loan

(1) Facility R

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|-----------------------------|--|
| a. Lenders: | The Nomura Trust and Banking Co., Ltd.
The Chiba Bank, Ltd.
Development Bank of Japan Inc.
The Bank of Fukuoka, Ltd. |
| b. Amount of the borrowing: | JPY4.4B |
| c. Interest rate: | Base interest rate (Japanese Yen TIBOR for three months in JBA) + 0.70% * |
| d. Date of the borrowing: | April 26, 2013 |
| e. Method of the borrowing: | The Term Loan Agreement (Facility R) to be concluded with the lenders on above a. today based on the Written Agreement with all lenders dated March 30, 2012 and the Modification Agreement for the Base Agreement to be concluded today. |
| f. Interest payment date: | The interest will be paid on July 31, 2013 first and thereafter payable on the end of every three months (If it is not a business day, it will be paid on the following business day. If it falls on the next month, it will be paid on the preceding business day.) and on the maturity date. |

- g. Method of the principal payment: JPY11M will be repaid on July 31, 2013, and the same amount will be thereafter payable on the end of every three months (If it is not a business day, it will be paid on the following business day. If it falls on the next month, it will be paid on the preceding business day.). The remaining amount will be repaid on the maturity date at once.
- h. Date of the principal payment: April 26, 2016 (If it is not a business day, it will be paid on the following business day.)
- i. Collateral: Requested.

(2) Facility S

- a. Lenders: Sumitomo Mitsui Banking Corporation
The Tokyo Star Bank, Limited
Shinsei Bank, Limited
- b. Amount of the borrowing: JPY4.5B
- c. Interest rate: Base interest rate (Japanese Yen TIBOR for three months in JBA) + 0.90% *
- d. Date of the borrowing: April 26, 2013
- e. Method of the borrowing: The Term Loan Agreement (Facility S) to be concluded with the lenders on above a. today based on the Written Agreement with all lenders dated March 30, 2012 and the Modification Agreement for the Base Agreement to be concluded today.
- f. Interest payment date: The interest will be paid on July 31, 2013 first and thereafter payable on the end of every three months (If the payment day is not a business day, it will be paid on the following business day. If it falls on the next month, it will be paid on the preceding business day.) and on the maturity date.
- g. Method of the principal payment: JPY11.250M will be repaid on July 31, 2013 and the same amount will be thereafter payable on the end of every three months (If it is not a business day, it will be paid on the following business day. If it falls on the next month, it will be paid on the preceding business day.). The remaining amount will be repaid on the maturity date at once.
- h. Date of the principal repayment: April 26, 2018 (If it is not a business day, it will be paid on the following business 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/>.

However, the base interest rate for the beginning and the end of the compounding interval is to be the rate practically determined by the individual agent as the offered rate for the debt-credit transaction in Japanese Yen in Tokyo Interbank Market for the period nearest to the compounding interval of the loan above at 11:00am or immediately preceding 11:00am of the day in which the interest rate is determined.

The base interest rate for the first compounding interval (April 26, 2013 through July 31, 2013) will be 0.26% thus the interest rates of Facility R and Facility S will be 0.96% and 1.16% respectively.

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

(JPY1M)

Classification		Before the new loan	After the new loan	Variance
	Short-term loan	2,949	2,949	0
	Long-term loan to be repaid within one year	12,644	12,644	0
	Long-term loan	47,446	56,346	+ 8,900
Total loans		63,040	71,940	+ 8,900
Investment Corporation Bond		2,000	2,000	0
Total interest-bearing debt		65,040	73,940	+ 8,900

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