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REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)
Yukio Isa, Executive Director

Asset Management Company:

Japan Hotel REIT Advisors Co., Ltd.
Hiroyuki Suzui, Representative Director

Contact:

Kazuyuki Udo
Director and Officer
Management & Planning Office
Phone: +81-3-6422-0530

Notice Concerning Prepayment of Loans

In association with the asset disposition announced by “Notice Concerning Disposition of Asset (Pearl Hotel Kayabacho)” dated today, Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) will make prepayment of loans (JPY1.706B in total. Hereinafter called “prepayment”) according to the loan agreements concluded with the financial institutions as of today as follows:

1. Detail of the prepayment

Lenders	Date of borrowing	Repayment due date	Initial loan amount (JPY1,000)	Present loan balance (JPY1,000)	Amount of prepayment (JPY1,000)	Prepayment date (plan)	Loan balance after prepayment (JPY1,000)*
Sumitomo Mitsui Banking Corporation The Chiba Bank, Ltd. Sampo Japan Insurance Inc. The Nomura Trust and Banking Co., Ltd.	March 29, 2013	March 31, 2014	2,949,980	2,896,650	212,000	October 31, 2013	2,676,900
Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited The Tokyo Star Bank, Limited	March 31, 2011	September 30, 2015	2,800,000	2,310,710	117,780	October 31, 2013	2,185,930
Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited Shinsei Bank, Limited	May 31, 2011	September 30, 2014	5,300,000	4,665,090	1,376,620	October 31, 2013	3,275,220
Total			11,049,980	9,872,450	1,706,400		8,138,050

(*) The above is the loan balance after the contractual repayment on the end of September 2013 (JPY28M) and the prepayment.

<Reference>

The status of the interest-bearing debts before and after the prepayment (plan)

(JPY1M)

Category		Before the prepayment (*2)	After the prepayment (*2)(*3)	Fluctuation
	Short-term loan	2,888	2,676	-212
	Long-term loan that will be repaid within one year	14,429	13,052	-1,376
	Long-term loan	53,873	53,756	-117
Total loans		71,192	69,485	-1,706
Investment Corporation Bonds		2,000	2,000	0
Total interest-bearing debts		73,192	71,485	-1,706

(*1) The figures less than JPY1M is rounded down.

(*2) The balance after the contractual repayment on the end of September 2013 (JPY51.375M).

(*3) The balance before the contractual repayment on the prepayment date. The amount of the contractual repayment on the same day is JPY23.875M.

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