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September 20, 2013

REIT Issuer:

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

This is to inform you that the Board of Directors meeting of Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) resolved 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 D	Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited	April 8, 2011	JPY2.834750B	September 30, 2013

2. Detail of the new loan:

(1) Tranche H

- a. Lenders: Sumitomo Mitsui Banking Corporation
Sumitomo Mitsui Trust Bank, Limited
- b. Amount of the new loan: JPY2.827500B (*1)
- c. Interest rate: Base interest rate (Japanese Yen TIBOR for three months in JBA) + 0.60% (*2)
- d. Date of borrowing: September 30, 2013
- e. Method of borrowing: Individual loan agreement to be concluded on September 26, 2013 with the lenders indicated above (syndicated loan method) based on the loan agreement concluded in March 28, 2011 (including modifications made later).
- f. Interest payment date: The first date to pay interest is December 31, 2013. It will then be paid on the last day of every three months (If the last day of the month is not a business day, it will be paid on the business day immediately before the payment date.)

- g. Method of the principal repayment: and the due date of the principal repayment. JPY7.250M will be repaid on December 31, 2013 and the end of every three months thereafter (If the last day of the month is not a business day, it will be paid on the business day immediately before the payment date.). Remaining amount will be repaid on the due date of the principal repayment.
- h. Date of the principal repayment: September 30, 2018 (If it is not a business day, repayment will be made on the business day immediately before the payment date.)
- i. Collateral: Requested.

- (*1) Difference between the amount of the new loan and that of the existing loan, JPY7.250M, will be repaid with our own funds.
- (*2) 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)	Fluctuation
	Short-term loan	2,896	2,888	-7
	Long-term loan that will be repaid within one year	12,624	12,605	-19
	Long-term loan	55,847	55,698	-149
Total loans		71,368	71,192	-176
Investment Corporation Bonds that will be redeemed within one year		2,000	2,000	0
Total interest-bearing debts		73,368	73,192	-176

(*1) The balance after the scheduled contractual repayment on September 30, 2013 (JPY169.125M) and the repayment indicated on 2. (*1) above.

(*2) The numbers less than JPY1M are rounded down.

4. Other

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

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