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November 13, 2013

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 Conclusion of Interest Rate Swap Contracts

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that JHR has concluded the interest rate swap contracts as below with intention to fix interest rate.

1. Loans for which interest rate swap contracts have been concluded:

	Lenders	Loan balance	Interest rate	Date of borrowing	Repayment due date
Loan 1	Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Co., Ltd. Shinsei Bank, Limited	JPY3.0B	Japanese Yen TIBOR for three months in JBA + 0.60%	October 31, 2013	September 30, 2018
Loan 2	Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited	JPY2.8275B	Japanese Yen TIBOR for three months in JBA + 0.60%	September 30, 2013	September 30, 2018
Total		JPY5.8275B	-	-	-

2. Detail of the interest rate swap contract

1. Counterparty	SMBC Nikko Securities Inc.
2. Assumed principal	JPY5.68975B (The total loan balance for the loan 1 and 2 above on the repayment due date.)
3. Interest rate	Fixed interest rate to pay 0.3805% Floating interest rate to receive Japanese Yen TIBOR for three months in JBA
4. Contract term	December 30, 2013 through September 30, 2018
5. Interest payment date	December 30, 2013 shall be the first date to pay the fixed interest rate and receive the floating interest rate. They shall then be paid and received on the end of every three months afterward and on the expiration date of the contract. (If the date is not a business day, it shall be the preceding business day.)

*Through the conclusion of these interest rate swap contracts, the interest rate for the loan 1 and the loan 2



will be substantially fixed at 0.9805% and 0.9805% respectively.

3. Future outlook

The impact on the operating forecast for the fiscal year December 2013 (January 1, 2013 through December 31, 2013) will be slight and no change is required.

4. Other

With respect to the repayment risk in relation to the above, no important change is required for the Securities Report for the 13th period submitted on March 22, 2013 and “Investment Risk” of the mid-period Securities Report for the 14th period submitted on September 20, 2013.

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