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REIT Issuer:

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

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that the board of directors meeting today has resolved as below on new borrowings (hereinafter called the “New Loans”).

1. Rationale of the New Loans

The New Loans will be allocated to partially fund the acquisition of real estate beneficial interest in trust of Okinawa Marriott Resort & Spa (hereinafter called the “Beneficial Interest”) and movable assets attached to the property.

Please see “Notice Concerning Acquisition and Lease of New Asset (“Okinawa Marriott Resort & Spa”)” dated today for details of the Beneficial Interest.

2. Details of the New Loans

Details of New Loan 1 (Term Loan 13)

- | | |
|------------------------------------|---|
| (1) Lender: | Financial syndicate arranged by Sumitomo Mitsui Banking Corporation |
| (2) Amount of the new loan: | JPY5,000M (planned) |
| (3) Interest rate: | To be determined |
| (4) Date of borrowing: | July 10, 2015 (scheduled) |
| (5) Method of borrowing: | To be determined |
| (6) Interest payment date: | To be determined |
| (7) Method of principal repayment: | To be determined |
| (8) Maturity date: | March 31, 2016 (scheduled) |
| (9) Collateral: | Unsecured/Unguaranteed |

(*) The details yet to be determined will be notified later upon determination.

Details of New Loan 2 (Term Loan 14)

- | | |
|-----------------------------|---|
| (1) Lender: | Financial syndicate arranged by Sumitomo Mitsui Banking Corporation |
| (2) Amount of the new loan: | JPY1,500M (planned) |
| (3) Interest rate: | To be determined |

Note: This document is intended to serve as a press release to make available the information on new loans of JHR. This document should not be construed as an offer to sell or solicitation of an offer to purchase any investment units or other investment of JHR. Prospective investors are advised to read JHR's prospectus for issuance of new investment units and secondary offering (and its amendments, if any) and make any investment decisions at their own risk and responsibility.

- (4) Date of borrowing: July 10, 2015 (scheduled)
 (5) Method of borrowing: To be determined
 (6) Interest payment date: To be determined
 (7) Method of principal repayment: To be determined
 (8) Maturity date: June 30, 2022 (scheduled)
 (9) Collateral: Unsecured/Unguaranteed

(*) The details yet to be determined will be notified later upon determination.

Furthermore, JHR plans to conclude an interest rate swap contract for the Term Loan 14 to practically fix the interest rate.

3. Status of Interest-Bearing Debts Before and After the New Loans (scheduled)

(Unit: JPY M)

Category		Before the New Loans	After the New Loans (*1)	Fluctuation
	Short-term loans	1,000	6,000	+5,000
	Long-term loans payable within one year	20,588	20,576	-12
	Long-term loans	63,896	65,385	+1,489
Total loans		85,485	91,961	+6,476
Investment corporation bonds		6,000	6,000	0
Total interest-bearing debts		91,485	97,961	+6,476

(*1) The figures represent the balance after the contractual repayment scheduled for July 31, 2015.

(*2) Amounts are rounded down to the nearest JPY M.

4. Other

With respect to the New Loans, no important change is required for the “Risks in relation to borrowings by loans and investment corporation bonds” in the “Investment Risk” described in the Securities Report for the 15th period submitted on March 20, 2015.

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

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