

This English translation is provided for information purposes only. If any discrepancy is identified between this translation and the Japanese original, the Japanese original shall prevail.

July 17, 2015

REIT Issuer:

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

Asset Management Company:

Japan Hotel REIT Advisors Co., Ltd.
Hisashi Furukawa, Representative Director and President

Contact:

Makoto Hanamura
General Manager
Investor Relations Department, Operations Division
TEL: +81-3-6422-0530

Notice Concerning Determination of Number of Investment Units
to be Issued by Way of Third-Party Allotment

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that with respect to the issuance of new investment units by way of third-party allotment that was resolved at the same time the issuance of new investment units through public offering (primary offering) and secondary offering through the purchase and underwriting by underwriters and over-allotment were resolved at the Board of Directors Meetings on June 4, 2015 and June 15, 2015, the allottee, SMBC Nikko Securities Inc., notified us today that it intends to subscribe for a part of the new investment units scheduled to be issued as follows.

Issuance of new investment units by way of third-party allotment

1. Number of investment units to be offered	3,905 units (No. of investments units scheduled to be issued- 7,000 units)
2. Paid-in amount (Issue value)	JPY75,007.-/unit
3. Total paid-in amount (Issue value)	JPY292,902,335.-
4. Subscription period (Subscription date)	July 22, 2015 (Wednesday)
5. Payment date	July 23, 2015 (Thursday)

Note: This document is intended to serve as a press release to make available the information on the issuance of JHR's new investment units by way of third-party allotment only. This document should not be construed as a solicitation of investment.

<Reference>

1. This issuance of new investment units by way of third-party allotment was resolved at the same time the issuance of new investment units through public offering (primary offering) and secondary offering through the purchase and underwriting by underwriters and over-allotment were resolved at the Board of Directors Meetings on June 4, 2015 and June 15, 2015.

For details of this third-party allotment, etc., please refer to our press releases “Notice Concerning Issuance of New Investment Units and Secondary Offering” dated June 4, 2015 and “Notice Concerning Determination of Prices, etc. for Issuance of New Investment Units and Secondary Offering” on June 15, 2015.

2. Change in the total number of units issued by this third-party allotment

(1) Total number of investment units already issued:	3,140,322 units
(2) Number of investment units increased by way of the third-party allotment:	3,905 units
(3) Total number of investment units issued after the third-party allotment:	3,144,227 units

3. Intended use of the proceeds

The proceeds generated by this third-party allotment, JPY292,902,335.-, will be reserved to allocate part of the funds for future acquisition of specified assets, part of the funds for repayment of loans, or capital expenditure to maintain or improve competitiveness of existing properties.

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