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Notice Concerning New Loans

(Determination of Interest Rate and Conclusion of Interest Rate Swap Contract)

With reference to the new loans announced in our press release “Notice Concerning New Loans (Refinancing) and Prepayment of Loan” dated September 15, 2015, Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that an interest rate for one of the loans was determined and an interest rate swap contract was concluded today as follows.

1. Determination of Interest Rate

Name	Lenders	Borrowing Amount (JPY M)	Interest Rate (Applied Base Interest Rate + Spread)	First Applied Base Interest Rate(*)	Date of Borrowing	Maturity Date
Term Loan 16-1	Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited The Nomura Trust and Banking Co., Ltd.	2,880	JBA Japanese Yen TIBOR for one month+0.65%	0.10818%	Sept. 24, 2015	Sept. 29, 2023

(*) The base interest rate for the first compounding interval (September 24, 2015 through September 29, 2015). JHR will not release any notice regarding the determination of interest rates on this loan hereafter. Please refer to the website of JBA TIBOR Administration to confirm the base interest rate (JBA Japanese Yen TIBOR for one month) <http://www.jbatibor.or.jp/rate/>.

2. Interest Rate Swap Contract

(1) Detail of interest rate swap contract

Lender	Shinsei Bank, Limited
Notional principal	JPY5,516M
Interest rate	Fixed interest rate to pay: 0.419% Variable interest rate to receive: JBA Japanese Yen TIBOR for one month
Contract term	September 30, 2015 through September 29, 2023

Interest payment date	The first interest payment date is October 30, 2015. Subsequent interest payment dates shall be at the end of every month and on the maturity date. (If the payment date is not a business day, it shall be paid on the preceding business day).
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(2) Subject loans for interest rate swap contract

Name	Lenders	Borrowing Amount (JPY M)	Interest Rate (Applied Base Interest Rate + Spread)	Date of Borrowing	Maturity Date
Term Loan 16-1	Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited The Nomura Trust and Banking Co., Ltd.	2,880	JBA Japanese Yen TIBOR for one month+0.65%	September 24, 2015	September 29, 2023
Term Loan 16-2	Sumitomo Mitsui Banking Corporation The Tokyo Star Bank, Limited Shinsei Bank, Limited	2,636	JBA Japanese Yen TIBOR for one month+0.65%	September 30, 2015	September 29, 2023

* The interest rate for Term Loan 16-1 and Term Loan 16-2 will practically be fixed at 1.069%.

* The interest rate fixation ratio (including the purchase of cap contract(s)) of all interest-bearing debt is expected to be 85%.

3. Future Prospects

The impact of the new loan and the interest rate swap contract is subtle and no change is required for the operating forecast for the fiscal year ending December 2015 (January 1, 2015 through December 31, 2015).

4. Others

With respect to the risks of repayment of the loans, etc., no important change is required for the “Risk in relation to funding by loans and investment corporation bonds” in the “Investment Risk” 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/>