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REIT Issuer:

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Notice Concerning Amendments to Articles of Incorporation and Election of Directors

This is to inform you that Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) resolved to propose partial amendments to the Articles of Incorporation and an election of Directors as below at the 7th General Meeting of Unitholders of JHR (hereinafter called the “General Meeting of Unitholders”) to be held on November 26, 2015. The following matters will be effective upon approval at the General Meeting of Unitholders.

1. Partial Amendments of the Articles of Incorporation

Details and reasons for amendments are as follows.

- (1) In connection with the revision to the Act on Investment Trusts and Investment Corporations (Law No. 198 of 1951, including subsequent revisions (hereinafter called “Investment Trust Act”)) implemented on December 1, 2014, JHR newly adds and amends provisions as follows.
 - ① Proposed amendments relating to Article 9, Paragraph 2 and Article 9, Paragraph 3
In order to set a new rule to convene a general meeting of unitholders on a certain day and afterward without delay, a new provision is added that JHR’s general meeting of unitholders shall be held on October 31, 2017 and afterward without delay, and subsequent general meetings of unitholders shall be convened every two years on October 31 and afterward without delay. For a general meeting of unitholders that will be held within 25 months from the previous general meeting of unitholders held in accordance with the provision, a new provision that JHR will not need to make a public announcement, which is required to make by two months prior to the general meeting of unitholders, is added. Furthermore, a provision that JHR may convene general meetings of unitholders as needed is also added.
 - ② Proposed amendment relating to Article 15, Paragraph 1
In association with the newly added provisions as described in ① above, a provision of a record date, which is a date to determine unitholders who may exercise his or her rights at the general meeting of unitholders within three months from the certain day, is added.
 - ③ Proposed amendment relating to Article 17, Paragraph 2
In accordance with the new provision described in ① above, the provision is amended to enable JHR to extend the term of office of directors, to the extent regulated by laws and regulations, as a result of a resolution by general meetings of unitholders.
- (2) In connection with the revision of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations (Ordinance of the Prime Minister’s Office No. 129 of 2000, including subsequent revisions (hereinafter called “Enforcement Ordinance of the Investment Trusts Act”)), JHR newly adds and amends the following relevant provisions.
 - ① Proposed amendments relating to Article 27, Paragraph 1 and Article 28, Paragraph 1, Paragraph 2 (introductory clause), Paragraph 3 (introductory clause)
JHR amends the relevant provision to clarify its aim to manage its assets mainly as an investment to real estate and other assets as stipulated in Article 105, Item 1 (〓) of Enforcement Ordinance of the Investment

Trusts Act. Also, in association with the amendment, changes, etc. are made to relevant wording.

② Proposed amendment relating to Article 27, Paragraph 5

A new provision is added to clarify that JHR may obtain all or majority of issued shares or investment of corporation(s) holding overseas real estate.

③ Proposed amendments relating to Article 28, Paragraph 2, Item (2) (vii) and (viii), Article 28, Paragraph 2, Item (3) (v), Article 28, Paragraph 3, Item (9), and Article 28, Paragraph 4, Item (13).

In conjunction with the new provision described in ② above, JHR makes it possible to select various schemes in investment in overseas real estate. JHR also adds other rights that are necessary or useful for overseas investment.

JHR currently has no plan to invest in overseas Real-Estate-Related Assets.

(3) Proposed amendments relating to Article 28, Paragraph 3, Item (10) and (11)

In association with the addition of assets applicable to the specified assets due to the revision of Order for Enforcement of the Act on Investment Trusts and Investment Corporations (Cabinet Order No. 480 of 2000, including subsequent revisions), new provisions of adding renewable energy generation facilities and rights to operate public facilities, etc. are added to JHR's investment target.

(4) Proposed amendment relating to Article 29, Paragraph 2

The provision is amended to enable JHR to invest in derivatives products to hedge against risk of exchange fluctuations which associates with the addition of issued shares of corporation(s) holding overseas real estate and Real-Estate-Related Assets and other assets based on or governed by laws and regulations of foreign countries to JHR's investment target and also to hedge risks of adverse effect on hotel performance resulting from climate change such as typhoons.

(5) Proposed amendment relating to Article 34, Paragraph 1, Item (4)

In relation to discrepancy between profit under taxation and accounting in investment corporations, in association with the revision of the Act on Special Measures Concerning Taxation (Law No. 26 of 1957, including subsequent revisions), etc., the provision is amended to enable JHR to distribute cash exceeding profit to reduce its tax burden.

(6) Proposed amendment Article 38, Paragraph 2, Item (1)

A relevant provision is amended to clarify that JHR will bear the costs regarding the allotment of new investment unit subscription rights without contribution.

(7) In addition, the followings are deleted: provisions which have become unnecessary in association with the revision of the Ordinance for Enforcement of the Act on Special Measures Concerning Taxation (Ministry of Finance Ordinance No. 15 of 1957, including subsequent revisions), provisions which have become unnecessary due to the passage of certain period of time, supplementary provisions which have become unnecessary due to the implementation of revised Investment Trust Act. Amendments are also made as necessary to expressions, clarification, wording, and numbering of Articles and Paragraphs, etc.

2. Election of Directors

Reasons for the proposal are as follows.

Executive Director Yukio Isa has offered to step down his post as of the end of the General Meeting of Unitholders. Therefore, we propose to elect one executive director (candidate: Kaname Masuda).

Also, Supervisory Directors Hiroshi Matsuzawa and Tetsuya Mishiku have offered to resign their posts as of the end of the General Meeting of Unitholders since their expiration date of their posts and that of the new executive director would be different. To unify their expiration dates, we propose the election of two new Supervisory Directors (candidates: Hiroshi Matsuzawa and Tetsuya Mishiku).

We also propose to increase the number of Supervisory Directors from two to three to enhance supervisory framework and stable management of executive meetings. Therefore, we propose to elect one new Supervisory Director.

Moreover, the term of Executive Director and Supervisory Directors will be two years from November 26, 2015 as set forth in JHR's current Articles of Incorporation.

Also, in case of vacancy in the position of Executive Director or in case the number of Executive Director does not meet the requirement stipulated by laws and regulations, JHR proposes to elect one substitute Executive Director (candidate: Hisashi Furukawa) as substitute Executive Director. He is currently Representative Director of Japan Hotel REIT Advisors Co., Ltd., which has concluded an asset management services agreement with JHR.

- (1) Candidate for Executive Director
Kaname Masuda (New)
- (2) Candidates for Supervisory Directors
Hiroshi Matsuzawa (Incumbent)
Tetsuya Mishiku (Incumbent)
Hiroto Kashii (New)
- (3) Substitute Executive Director
Hisashi Furukawa (New)

3. Schedule for the General Meeting of Unitholders, etc.

October 27, 2015	Board approval for agendas for the General Meeting of Unitholders
November 11, 2015	Dispatch of convocation notice of the General Meeting of Unitholders (scheduled)
November 26, 2015	General Meeting of Unitholders (scheduled)

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