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February 18, 2016

REIT Issuer:

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

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

1. Rationale of the New Loan

The New Loan will be allocated to part of the funds for and expenses related to acquisition of real estate beneficial interest in trust of Hotel Centraza Hakata (hereinafter called the “Beneficial Interest”) and movable assets attached to the hotel.

(*) Please see “Notice Concerning Acquisition of New Asset (Hotel Centraza Hakata)” dated today for details of the Beneficial Interest.

2. Details of the New Loan (Term Loan 19)

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|------------------------------------|---|
| (1) Lender: | Financial syndicate arranged by Sumitomo Mitsui Banking Corporation |
| (2) Amount of the new loan: | JPY7,000M (planned) |
| (3) Interest rate: | To be determined |
| (4) Date of borrowing: | April 1, 2016 (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, 2017 (scheduled) |
| (9) Collateral: | Unsecured/Unguaranteed |

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

3. Status of interest-bearing debt before and after the New Loan <as of April 1, 2016 (scheduled)>

(Unit: JPY M)

Category		Before the New Loan	After the New Loan	Fluctuation
	Short-term loans	9,000	16,000	+7,000
	Long-term loans (*1)	83,712	83,712	0
Total loans		92,712	99,712	+7,000
Investment corporation bonds		12,000	12,000	0
Total interest-bearing debt		104,712	111,712	+7,000

(*1) Long-term loans amounts are based on the following assumptions:

- Addition of the new loan scheduled to be taken out on February 29, 2016 in the amount of JPY2,000M
- Subtraction of contractual repayment for March 2016 in the amount of JPY36M

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

4. Future prospects

Please see “Notice Concerning Revision of Operating Forecast and Forecast of Dividend for Fiscal Year Ending December 2016 (17th Period)” dated today for the operating forecast after taking out the New Loan.

5. Other necessary matters that investors should know to understand and judge the above information appropriately

With respect to the risk in relation to the New Loan, no change is required in “Investment Risk” described in the Securities Registration Statement submitted on January 4, 2016.

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