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Notice Concerning a New Loan (Determination of an Interest Rate)

With reference to the new loans announced in our press release “Notice Concerning New Loans” dated June 19, 2017, Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that an interest rate, which is part of the conditions for the new loan, has been determined as follows.

1. Details of Determination of the Interest Rate

Loan	Lender	Balance	Interest Rate
Term Loan 38	Development Bank of Japan Inc.	JPY500M	<u>0.75392% annually</u> (fixed interest rate)

(*) A condition for the new loan that has been determined is underlined.

2. Future Prospects

The impact of the new loan is subtle and no change is required for the operating forecast for the fiscal year ending December 2017 (January 1, 2017 through December 31, 2017).

3. Other

With respect to the risks of the new loan, no important change is required for the “Investment Risks” in the Securities Registration Statement submitted on June 19, 2017.

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