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Notice Concerning New Loans

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that the Board of Directors meeting today resolved as below on new borrowings (hereinafter called the “New Loans”).

1. Summary of New Loans

(1) Rationale for the New Loans

The New Loans will be applied toward the funds for part of the acquisition price of real estate beneficial interests in trust of OKINAWA HARBORVIEW HOTEL, Southern Beach Hotel & Resort OKINAWA, MIMARU Tokyo Shinjuku West and HOTEL AMANEK Shinjuku-Kabukicho, and movable assets attached to them (hereinafter called the “Beneficial Interests, etc.”).

Please see “Notice Concerning Acquisition and Lease of Domestic Real Estate Beneficial Interests in Trust (OKINAWA HARBORVIEW HOTEL, Southern Beach Hotel & Resort OKINAWA, MIMARU Tokyo Shinjuku West and HOTEL AMANEK Shinjuku-Kabukicho.)” dated today for an overview of the Beneficial Interests, etc.

(2) Details of the New Loans

Names of Loan	Lenders	Amount of the New Loan (millions of yen)	Interest Rate (*1)	Scheduled Borrowing Date	Maturity Date	Collateral / Method of Repayment
Term Loan 102	Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Resona Bank, Limited MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan Inc. SBI Shinsei Bank, Limited Kansai Mirai Bank, Limited Daiwa Next Bank, Ltd.	8,000	Base interest rate + 0.25%	July 12, 2024	September 30, 2025	Unsecured & Unguaranteed / Lump-sum repayment on the maturity date
Term Loan 103	Development Bank of Japan Inc. Bank of the Ryukyus, Limited The Nishi-Nippon City Bank, Ltd.	1,950	Base interest rate + 0.50% (*2)	July 31, 2024	March 30, 2029	Unsecured & Unguaranteed / Lump-sum repayment on the maturity date

Note: This document is intended to serve as a press release to make available information on new borrowings by JHR. This document should not be considered as an offer to sell or solicitation of an offer to purchase any investment units or other investment of JHR. Prospective investors are advised to make any investment decisions at their own risk and responsibility. This press release does not constitute an offer of securities in the United States. Securities may not be offered or sold in the United States without registration or an exemption from registration under the United States Securities Act of 1933 (as amended). Any public offering of securities to be made in the United States will be made by means of an English language prospectus prepared in accordance with the U.S. Securities Act of 1933 that may be obtained from the issuer or distributor of the security and that will contain detailed information about the issuer and its management as well as its financial statements. However, the securities referred to above will not be publicly offered or sold in the United States.

Names of Loan	Lenders	Amount of the New Loan (millions of yen)	Interest Rate (*1)	Scheduled Borrowing Date	Maturity Date	Collateral / Method of Repayment
Term Loan 104	Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited The Bank of Fukuoka, Ltd. The Chiba Bank, Ltd. Kansai Mirai Bank, Limited Aozora Bank, Ltd. The Shizuoka Bank, Ltd.	5,850	Base interest rate + 0.55% (*2)	July 31, 2024	March 29, 2030	Unsecured & Unguaranteed / Lump-sum repayment on the maturity date
Term Loan 105	MUFG Bank, Ltd.	500	To be determined (fixed rate) (*3)	July 31, 2024	March 29, 2030	Unsecured & Unguaranteed / Lump-sum repayment on the maturity date
Term Loan 106	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited SBI Shinsei Bank, Limited Daiwa Next Bank, Ltd. Aozora Bank, Ltd. The Minato Bank, Ltd. Kansai Mirai Bank, Limited The Bank of Okinawa, Ltd.	12,700	Base interest rate + 0.60% (*2)	July 31, 2024	March 31, 2031	Unsecured & Unguaranteed / Lump-sum repayment on the maturity date
Term Loan 107	MUFG Bank, Ltd.	1,000	To be determined (fixed rate) (*3)	July 31, 2024	March 31, 2031	Unsecured & Unguaranteed / Lump-sum repayment on the maturity date

(*1) The first interest payment date will be the last day of August 2024, and subsequent interest payment dates will be the last day of each month thereafter (or the immediately preceding business day, if that day is not a business day) and the maturity date.

The base interest rate to be applied to the calculation period of the interest to be paid on the interest payment date will be JBA Japanese Yen TIBOR for one month as of two business days prior to the immediately preceding interest payment date (or, two business days prior to the borrowing date as to the first interest calculation period). However, as to Term Loan 102, JBA Japanese Yen TIBOR for three months will be applied for the first interest calculation period and JBA Japanese Yen TIBOR for one month will be applied for all other interest calculation periods.

Please refer to the website of JBA TIBOR Administration for JBA Japanese Yen TIBOR (<https://www.jbatibor.or.jp/english/rate/>).

(*2) JHR plans to enter into interest rate swap contracts and fix interest rates for Term Loans 103, 104 and 106. The details will be announced once interest rates are determined to be fixed.

(*3) Fixed rates will be announced once they are determined.

(*4) The information for the New Loans is based on the conditional commitment letters issued by financial institutions regarding the debt financing. However, it does not guarantee actual implementation of financing listed above.

- * The LTV ratio (based on total asset) is expected to be approx. 41.5% following the execution of the New Loans and the acquisition of the Beneficial Interests, etc. This LTV ratio (based on total asset) is calculated based on the amount of the net proceeds estimated as of today from the issuance of new investment units through public offering and by way of third-party allotment which is calculated based on the closing price of the investment unit traded on Tokyo Stock Exchange on May 31, 2024, assuming that the option to purchase additionally issued JHR investment units granted to the overseas underwriters in the overseas offering, described in the “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” dated today, is exercised in full and all newly issued investment units via the third-party allotment are paid in from SMBC Nikko Securities Inc. Therefore, the LTV ratio (based on total asset) may vary subject to the actual amount of the net proceeds from the offerings.

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2. Status of the Interest-Bearing Debt after the New Loans (scheduled)

(Unit: millions of yen)

Category		Before New Loans	After New Loans	Variance
	Short-term loans	—	—	—
	Long-term loans (*2)	138,331	168,331	+30,000
Total loans		138,331	168,331	+30,000
Total investment corporation bonds		36,900	36,900	—
Total interest-bearing debt		175,231	205,231	+30,000

(*1) Amounts are rounded down to the nearest millions of yen.

(*2) Long-term loans payable within one year are included in the long-term loans.

The ratio of fixed interest rate to total interest-bearing debt after the New Loans is expected to be approximately 74%.

3. Future Prospects

Please see “Notice Concerning Revision of Operating and Dividend Forecast for the Fiscal Year Ending December 2024 (25th Period)” dated today for operating forecast taking the New Loans into consideration.

4. Others

With respect to the risk in relation to the New Loans, please refer to the “Investment Risk” stated in the Securities Registration Statement (available in Japanese only) submitted today.

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

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