

**Provisional Translation Only**

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REIT Issuer:

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Notice regarding the Impact of the 2011 Tohoku Earthquake and Tsunami

Japan Hotel and Resort, Inc. (hereinafter “JHR”) expresses its deepest condolences to all of the victims and families of the victims of the 2011 Tohoku earthquake and tsunami that occurred on March 11, 2011.

Regarding damage to properties owned by JHR, we have confirmed the condition of each property as follows. We are still in the process of investigating the impact of this earthquake on the business performance of JHR.

1. Human Sufferings

None of the customers or employees, etc. of any of the hotels owned by JHR were harmed in the earthquake.

2. Condition of Properties

Hotel	Damages to Properties	Operational Status
Kobe Meriken Park Oriental Hotel	No damage to properties	Normal operation
Oriental Hotel Tokyo Bay	<ul style="list-style-type: none"> <li>* Cracks and peeling in some parts of the exterior walls of the building</li> <li>* Some uneven areas have been created in the driveway of the hotel entranceway</li> <li>* Some cracks have been created in the surface of the wall of the second floor lobby inside the building</li> <li>* Some damage to the wallpaper and base boards in the guest rooms and hallways</li> <li>* Some of the furniture in the guest rooms is damaged</li> </ul> <p>(Note) Due to the liquefaction phenomenon, some cave-ins and ground subsidence have occurred in the perimeter areas</p> <p>A report by a third-party specialized agency confirmed that there was no effect on property due to the earthquake.</p>	<ul style="list-style-type: none"> <li>* Partial operation               <ul style="list-style-type: none"> <li>- Partial operation of the accommodation facilities (Operation of only 294 rooms out of a total of 502 rooms)</li> <li>- Partial operation of the restaurant facilities</li> <li>- Normal operation of the banquet facilities</li> </ul> </li> </ul>

Hotel	Damages to Properties	Operational Status
Numba Oriental Hotel	No damage to properties	Normal operation
Hotel Nikko Alivila	No damage to properties	Normal operation
Nara Washington Hotel Plaza	No damage to properties	Normal operation
Hakata Nakasu Washington Hotel Plaza	No damage to properties	Normal operation
Daiwa Roynet Hotel Akita	* Cracks in some parts of the exterior walls of the building * Cracks in some parts of the baseboard	Normal operation
Oriental Hotel Hiroshima	No damage to properties	Normal operation

\* Japan Hotel and Resort, Inc. Website : <http://www.jhrth.com/>