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Notice Concerning New Loans (Determination of an Interest Rate)

With reference to the new loan announced in our press release “Notice Concerning New Loans (Refinancing)” (hereinafter called the “New Loans”) dated September 20, 2018, Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that an interest rate, which is part of the conditions for the New Loans, has been determined as follows.

1. Details of Determination of an Interest Rate

Loan	Lender	Amount	Interest Rate
Term Loan 49	The Shizuoka Bank, Ltd.	JPY500M	<u>0.5488% annually (fixed interest rate)</u>
Term Loan 50	Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited Shinsei Bank, Limited, Mizuho Bank, Ltd.	JPY3,900M	<u>0.66545% (interest rate for the first applicable period)</u> Base interest rate (JBA Japanese Yen TIBOR for one month) +0.60% (*2) <u>Applicable period</u> <u>September 28, 2018 through October 30, 2018</u>

(*1) Conditions for the new loan that have been determined are underlined.

(*2) Please refer to the website of JBA TIBOR Administration for confirming the base interest rate (JBA Japanese Yen TIBOR for one month) <http://www.jbatibor.or.jp/english/rate/>.

2. Future Prospects

The impact by the determination of an interest rate is subtle and no change is required for the operating forecast for the fiscal year ending December 2018 (January 1, 2018 through December 31, 2018).

3. Others

With respect to the risks of the New Loans, no important change is required for the “Investment Risks” in the Securities Reporting submitted on March 20, 2018 and in the Semiannual Securities Report (Japanese only) submitted on September 20, 2018.

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