

This English translation is provided for information purposes only. If any discrepancy is identified between this translation and the Japanese original, the Japanese original shall prevail.

August 17, 2015

REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)
Yukio Isa, Executive Director

Asset Management Company:

Japan Hotel REIT Advisors Co., Ltd.
Hisashi Furukawa, Representative Director and President

Contact:

Makoto Hanamura
General Manager
Investor Relations Department, Operations Division
TEL: +81-3-6422-0530

Notice Concerning a Renovation of a Chapel—Kobe Meriken Park Oriental Hotel

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that JHR has renovated Kobe Meriken Park Oriental Hotel (hereinafter called the “Hotel”), one of JHR’s operating assets, as below. The newly renovated chapel started its services on August 15, 2015.

1 . Renovation summary

Renovation area	Marine Hall Chapel (hereinafter called the “Chapel”)	
Renovation detail	The Chapel is famous for its graceful and beautiful design. The Chapel has been renovated into a simple and bright interior decoration in white as the base color. It is changed to more modern and elegant space.	
Interior	<p>Before renovation</p> 	<p>After renovation</p> 

Altar	<p style="text-align: center;">Before renovation</p> 	<p style="text-align: center;">After renovation</p> 
Exterior	<p style="text-align: center;">Before renovation</p> 	<p style="text-align: center;">After renovation</p> 
Total renovation costs	About JPY36M	
Start date to offer the renovated area	August 15, 2015	

2. Objectives and rationale for renovation

The Hotel has two chapels. The Chapel is the main chapel of the Hotel, which is attractive with an impressive style and a graceful design. By the renovation, the Chapel is now simpler and more modern, while maintaining its elegance, creating a versatile space that meets various client needs.

Also, as announced in the “Notice Concerning New Efforts for Wedding Department at Kobe Meriken Park Oriental Hotel” on December 12, 2014, the Hotel has concluded an Operations Support Agreement with Positive dream persons Inc. and is now working to improve the profits of the Wedding Department of the Hotel.

JHR believes that the renovation is expected to create a synergy effect with the operations support, and by taking this opportunity of the renovation work, JHR aims to increase more demand for wedding and enhance its profitability.

3. Future prospect

The impact of renovation on the operating forecast for the fiscal year ending December 2015 (January 1, 2015 through December 31, 2015) is slight, thus no change is required.

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

* Website of Kobe Meriken Park Oriental Hotel: <http://www.kobe-orientalhotel.co.jp/english/>