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Notice Concerning New Loans (Refinancing)

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that JHR resolved as below today on new borrowings (hereinafter called the “New Loans”) for the purpose of refinancing of the existing loan.

1. Summary of the New Loans

JHR plans to refinance the existing loan, which is due on September 30, 2020 (hereinafter called the “Loan Scheduled for Repayment”).

2. Details of the New Loans

(1) Total Amount of the New Loans

JPY11,847M

(2) Details of the New Loans

Name of Loan	Term Loan 66
Lenders	Sumitomo Mitsui Banking Corporation, Shinsei Bank, Limited, Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Resona Bank, Limited, Development Bank of Japan Inc., Aozora Bank, Ltd.
Amount of the New Loan	JPY11,747M
Interest Rate	Base interest rate (JBA Japanese Yen TIBOR for one month) + 0.30% (*1)
Date of Borrowing	September 30, 2020 (plan)
Method of Borrowing	Individual loan contracts to be concluded on September 28, 2020 with the lenders indicated above based on the Basic Agreement concluded on November 13, 2013 (including subsequent amendments).
Interest Payment Date	The first interest payment date is the end of October 2020. Subsequent interest payment dates shall be at the end of each month (if the payment date is not a business day, it shall be paid on the preceding business day) and on the maturity date.
Method of Principal Prepayment	Lump-sum payment on the maturity date
Maturity Date	September 30, 2021 (borrowing term: 1 year)
Collateral	Unsecured/Unguaranteed

Name of Loan	Term Loan 67
Lender	The Chiba Bank, Ltd.
Amount of the New Loan	JPY100M
Interest Rate	Not yet determined (fixed interest rate) (*2)
Date of Borrowing	September 30, 2020 (plan)
Method of Borrowing	Individual loan contracts to be concluded on September 28, 2020 with the lender indicated above based on the Basic Agreement concluded on November 13, 2013 (including subsequent amendments).
Interest Payment Date	The first interest payment date is the end of October 2020. Subsequent interest payment dates shall be at the end of each month (if the payment date is not a business day, it shall be paid on the preceding business day) and on the maturity date.
Method of Principal Prepayment	Lump-sum payment on the maturity date
Maturity Date	September 30, 2021 (borrowing term: 1 year)
Collateral	Unsecured/Unguaranteed

(*1) Base interest rate to be applied to the calculation period for the interest to be paid at interest payment dates will be JBA Japanese Yen TIBOR for 1 month at 2 business days prior to preceding interest payment date. Please refer to the website of JBA TIBOR Administration for the JBA Japanese Yen TIBOR (<http://www.jbatibor.or.jp/english/rate/>).

(*2) The undecided items will be announced once it is determined.

(*3) With respect to the details above, it is assumed that the examination process at the financial institutions will be completed, and it does not guarantee actual conclusions of New Loans listed above.

3. Summary of the Loan Scheduled for Repayment

(1) Summary of the repayment

JHR plans to repay the loan with using the New Loans.

(2) Total amount of the repayment

JPY11,847M

(3) Scheduled date of the repayment

September 30, 2020

(4) Details of the subject individual loan

Loan	Term Loan 6
Lenders	Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Resona Bank, Shinsei Bank, Limited, Sumitomo Mitsui Trust Bank, Development Bank of Japan Inc., Aozora Bank, Ltd.
Date of borrowing	September 30, 2014
Maturity date	September 30, 2020
Borrowing balance	JPY6,055M

Loan	Term Loan 64-1
Lender	Sumitomo Mitsui Banking Corporation

Date of borrowing	January 31, 2020
Maturity date	September 30, 2020
Borrowing balance	JPY1,400M

Loan	Term Loan 64-2
Lender	Shinsei Bank, Limited
Date of borrowing	January 31, 2020
Maturity date	September 30, 2020
Borrowing balance	JPY500M

Loan	Term Loan 64-3
Lender	Mizuho Bank, Ltd.
Date of borrowing	January 31, 2020
Maturity date	September 30, 2020
Borrowing balance	JPY1,500M

Loan	Term Loan 64-4
Lender	Sumitomo Mitsui Trust Bank
Date of borrowing	January 31, 2020
Maturity date	September 30, 2020
Borrowing balance	JPY500M

Loan	Term Loan 64-5
Lender	Resona Bank
Date of borrowing	January 31, 2020
Maturity date	September 30, 2020
Borrowing balance	JPY500M

Loan	Term Loan 64-6
Lender	The Chiba Bank, Ltd.
Date of borrowing	January 31, 2020
Maturity date	September 30, 2020
Borrowing balance	JPY300M

Loan	Term Loan 65-1
Lender	Sumitomo Mitsui Banking Corporation
Date of borrowing	June 30, 2020
Maturity date	September 30, 2020
Borrowing balance	JPY100M

Loan	Term Loan 65-2
Lender	The Hiroshima Bank, Ltd.
Date of borrowing	June 30, 2020
Maturity date	September 30, 2020
Borrowing balance	JPY992M

4. Status of the Interest-Bearing Debt Before and After the New Loans (scheduled)

(Unit: millions of yen)

Category		Before	After	Variance
	Short-term loans	5,792	11,847	+6,055
	Long-term loans (*2)	121,362	115,307	(6,055)
Total Loans		127,154	127,154	0
Total investment corporation bonds		41,600	41,600	0
Total interest-bearing debt		168,754	168,754	0

(*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 fixed interest rate ratio to the total interest-bearing debt after the New Loans is forecasted to be around 91%.

5. Future Prospects

The impact is subtle, and no change is required for the operating forecast for the fiscal year ending December 2020 (January 1, 2020 through December 31, 2020).

6. Other

With respect to the risks of the New Loan, no important change is required for the “Investment Risks” in the Securities Report submitted on March 27, 2020 and in the Semiannual Securities Report (Japanese only) submitted today.

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