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September 26, 2019

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Notice Concerning New Loans (Determination of Interest Rate) and  
Conclusion of Interest Rate Swap Contract

With reference to the new loans announced in our press release “Notice Concerning New Loans (Refinancing and Prepayment of Loans)” dated September 18, 2019, Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that interest rates have been determined as follows. JHR also informs you that the interest rate swap contract for a part of New Loans has been concluded.

1. Details of Determination of an Interest Rate

Loan	Lenders	Borrowing Amount	Interest Rate
Term Loan 62	The Chiba Bank, Ltd. The Hiroshima Bank, Ltd.	JPY1,600M	<u>0.2338% (fixed interest rate)</u>

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

2. Details of Interest Rate Swap Contract

<Interest rate swap contract for Term Loan 63>

Counterparty	Mizuho Bank, Ltd.
Notional Principal	JPY5,600M
Interest Rate	Fixed interest rate to pay 0.1275% Variable interest rate to receive JBA Japanese Yen TIBOR for one month
Contract Term	September 30, 2019 through September 30, 2027
Interest Payment Date	The first interest payment date is October 31, 2019. Subsequent interest payment dates shall be at the end of every month and on the maturity date. (If the payment date is not a business day, it shall be paid on the preceding business day.)

\*The interest rate for Term Loan 63 will be fixed at 0.6775% in effect.

Fixed interest rate ratio to the total interest-bearing debt is expected to be around 98% after the conclusion of swap contract.

3. Future Prospects

The impact by the determination of interest rates and conclusion of swap contract is subtle and no change is required for the operating forecast for the fiscal year ending December 2019 (January 1, 2019 through December 31, 2019).

4. Others

With respect to the risks of the New Loans, no important change is required for the “Investment Risks” in the Securities Report submitted on March 20, 2019 (Japanese only) and the Semiannual Securities Report submitted on September 18 (Japanese only).

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