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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 loans.

1. Summary of the New Loans

JHR plans to refinance the existing loans, which are due on January 31, 2020 (hereinafter called the “Loans Scheduled for Repayment”).

2. Details of the New Loans

(1) Total Amount of the New Loans

JPY4,700M

(2) Details of the New Loans

Name of Loan	Term Loan 64-1
Lender	Sumitomo Mitsui Banking Corporation
Amount of the New Loan	JPY1,400M
Interest Rate	Base interest rate (JBA Japanese Yen TIBOR for one month) + 0.275% (*1)
Date of Borrowing	January 31, 2020 (plan)
Method of Borrowing	Individual loan contracts to be concluded on January 29, 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 February 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, 2020 (borrowing term: 8 months)
Collateral	Unsecured/Unguaranteed

Name of Loan	Term Loan 64-2
Lender	Shinsei Bank, Limited
Amount of the New Loan	JPY500M
Interest Rate	Base interest rate (JBA Japanese Yen TIBOR for one month) + 0.275% (*1)
Date of Borrowing	January 31, 2020 (plan)
Method of Borrowing	Individual loan contracts to be concluded on January 29, 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 February 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, 2020 (borrowing term: 8 months)
Collateral	Unsecured/Unguaranteed

Name of Loan	Term Loan 64-3
Lender	Mizuho Bank, Ltd.
Amount of the New Loan	JPY1,500M
Interest Rate	Base interest rate (JBA Japanese Yen TIBOR for one month) + 0.275% (*1)
Date of Borrowing	January 31, 2020 (plan)
Method of Borrowing	Individual loan contracts to be concluded on January 29, 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 February 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, 2020 (borrowing term: 8 months)
Collateral	Unsecured/Unguaranteed

Name of Loan	Term Loan 64-4
Lender	Sumitomo Mitsui Trust Bank, Limited
Amount of the New Loan	JPY500M
Interest Rate	Base interest rate (JBA Japanese Yen TIBOR for one month) + 0.275% (*1)
Date of Borrowing	January 31, 2020 (plan)
Method of Borrowing	Individual loan contracts to be concluded on January 29, 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 February 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, 2020 (borrowing term: 8 months)
Collateral	Unsecured/Unguaranteed

Name of Loan	Term Loan 64-5
Lender	Resona Bank, Limited,
Amount of the New Loan	JPY500M
Interest Rate	Base interest rate (JBA Japanese Yen TIBOR for one month) + 0.275% (*1)
Date of Borrowing	January 31, 2020 (plan)
Method of Borrowing	Individual loan contracts to be concluded on January 29, 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 February 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, 2020 (borrowing term: 8 months)
Collateral	Unsecured/Unguaranteed

Name of Loan	Term Loan 64-6
Lender	The Chiba Bank, Ltd.
Amount of the New Loan	JPY300M
Interest Rate	Base interest rate (JBA Japanese Yen TIBOR for one month) + 0.275% (*1)
Date of Borrowing	January 31, 2020 (plan)
Method of Borrowing	Individual loan contracts to be concluded on January 29, 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 February 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, 2020 (borrowing term: 8 months)
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/>).

3. Summary of the Loans Scheduled for Repayment

(1) Summary of the repayment

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

(2) Total amount of the repayment

JPY4,700M

(3) Scheduled date of the repayment

January 31, 2020

(4) Details of the subject individual loan

Loan	Term Loan 10
Lenders	Sumitomo Mitsui Banking Corporation, Shinsei Bank, Limited, Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Resona Bank, Limited, The Chiba Bank, Ltd.
Date of borrowing	January 30, 2015
Maturity date	January 31, 2020
Borrowing balance	JPY4,700M

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	0	4,700	+4,700
	Long-term loans (*2)	127,154	122,454	(4,700)
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 95%.

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

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