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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) and Partial Repayment of the Existing Loans” (hereinafter called the “New Loan”) dated April 16, 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 46	Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited The Chiba Bank, Ltd. THE NISHI-NIPPON CITY BANK, LTD. Sompo Japan Nipponkoa Insurance Inc.	JPY2,850M	<u>0.39818 % (Rate for the first applicable period)</u> Base interest rate (JBA Japanese Yen TIBOR for two month) +0.35% (*2) (*3) <u>Applicable period</u> <u>April 26, 2018 through May 30, 2018</u>
Term Loan 47	The Hiroshima Bank, Ltd.	JPY500M	<u>Annual 0.5225% (fixed rate)</u>
Term Loan 48	Sumitomo Mitsui Banking Corporation	JPY5,000M	<u>0.32318% (Rate for the first applicable period)</u> Base interest rate (JBA Japanese Yen TIBOR for two month) +0.275% (*2) (*3) <u>Applicable period</u> <u>April 26, 2018 through May 30, 2018</u>

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

(\*2) The base interest rate for the first interval applies JBA Japanese Yen TIBOR for two months. The base interest rate afterwards applies JBA Japanese Yen TIBOR for one month.

(\*3) Please refer to the website of JBA TIBOR Administration for confirming the base interest rate (JBA Japanese Yen TIBOR for one month and two months) <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. 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 20, 2018.

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