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November 22, 2012

REIT Issuer:

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

Asset Management Company:

Japan Hotel REIT Advisors Co., Ltd.  
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Notice Concerning Pre-payment of Loan

Japan Hotel and REIT Investment Corporation (hereinafter called “JHR”) resolved today to prepay the loan partially as below (JPY289M in total) in relation to the asset disposition announced by “Notice Concerning Asset Disposition (“Hotel Resol Sapporo Minaminijo”)” issued today and in accordance with the loan agreement having been concluded with the financial institutions .

1. Detail of the pre-payment of partial loan

Creditors	Date of borrowing	Repayment due date	Initial loan amount (JPY1,000)	Current loan balance (JPY1,000)	Amount of pre-payment (JPY1,000)	Scheduled date of pre-payment	Loan balance after the pre-payment (JPY1,000) (*)
Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited The Chiba Bank, Ltd Sampo Japan Insurance, Inc. The Nomura Trust and Banking Co., Ltd.	March 30, 2012	March 31, 2013	3,960,000	3,887,920	35,940	December 21, 2012	3,851,980
Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited The Tokyo Star Bank, Limited	March 31, 2011	September 30, 2015	2,800,000	2,541,300	19,970	December 21, 2012	2,521,330
Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited Shinsei Bank, Limited	May 31, 2011	September 30, 2014	5,300,000	5,069,990	233,440	December 21, 2012	4,836,550
Total			12,060,000	11,499,210	289,350		11,209,860

<Reference>

Status of interest-bearing loans before and after the pre-payment of some loans (plan):

(JPY1M)

Classification		Before the pre-payment of the existing loan (*2)	After pre-payment of the existing loan (*2)	Variance
	Short-term loan	3,887	3,851	-35
	Long-term loan to be repaid within one year	4,659	4,659	0
	Long-term loan	55,138	54,885	-253
Total loan		63,685	63,396	-289
Investment Corporation bond		2,000	2,000	0
Total Interest-bearing loan		65,685	65,396	-289

(\*1) The amount less than JPY1M is rounded down.

(\*2) The amount of the contractual repayment on the end of November 2012, JPY1.625M, has been considered.

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