

For Immediate Release

Real Estate Investment Trust Securities Issuer

MORI TRUST Hotel Reit, Inc.

Representative: Nobuyuki Endo, Executive Director
(Securities Code: 3478)

Asset Management Company

MORI TRUST Hotel Asset Management Co., Ltd.

Representative: Amane Sakamoto, President and CEO

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Notice Concerning Prepayment of Loans Payable

MORI TRUST Hotel Reit, Inc. (“MORI TRUST Hotel Reit”) hereby announces its decision today to perform the prepayment of loans payable (“loan prepayment”) as described below.

Details

1. Details of loan prepayment

(1) Amount of loans to be prepaid

1,000 million yen

(2) Fund for loan prepayment

A portion of the refunded consumption tax for the period ended February 28, 2017 will be appropriated for loan repayment.

(3) Scheduled date for loan prepayment

August 31, 2017

2. Details of loans payable to be prepaid

Classification	Lenders	Balance before prepayment (million yen)	Amount of loans to be prepaid (million yen)	Balance after prepayment (million yen)	Interest rates	Borrowing date Repayment date
Short-term	Mizuho Bank, Ltd.	5,500	500	5,000	Base interest rate (JBA one-month Japanese yen TIBOR) +0.20%	November 30, 2016 November 30, 2017
	Sumitomo Mitsui Banking Corporation	5,500	500	5,000	Base interest rate (JBA one-month Japanese yen TIBOR) +0.20%	November 30, 2016 November 30, 2017

(Note) No money for settlement will result from loan prepayment.

3. Status of loans and bonds after the execution of loan prepayment

(Unit: million yen)

	Before loan prepayment execution	After loan prepayment execution	Changes
Short-term loans	23,000	22,000	-1,000
Long-term loans	27,500	27,500	–
Total loans	50,500	49,500	-1,000
Investment corporation bonds	–	–	–
Total interest-bearing debt	50,500	49,500	-1,000

4. Outlook for management status

Loan prepayment has been reflected on management status forecasted for the period ending August 31, 2017 (the 3rd period from March 1, 2017 to August 31, 2017) already. Accordingly, no change has been made to the forecasts.

5. Others

MORI TRUST Hotel Reit has made no change to the details of investment risks stated in the securities report submitted on May 24, 2017 in connection with risks associated with loan prepayment and the like.