

# Hoshino Resorts REIT, Inc.

October 22, 2021

For Immediate Release

REIT Securities Issuer  
Hoshino Resorts REIT, Inc.  
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(Code: 3287)

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## Notice Concerning Debt Financing (Refinancing) and Interest Rate Swap

Hoshino Resorts REIT, Inc. (hereinafter “HRR”) announces the resolution made at its Board of Directors’ Meeting held on October 22, 2021 to conduct debt financing (hereinafter the “Debt Financing”) with an aim to refinance existing borrowings (hereinafter the “Refinancing”) and interest rate swaps (hereinafter the “Interest Rate Swap”) as follows.

### 1. Details of Debt Financing

#### (1) Contract No. 0069

1) Lender	The Bank of Fukuoka, Ltd., The Bank of Kyoto, Ltd.
2) Amount of borrowings	400,000,000 yen
3) Interest rate	Base interest rate (Note 1) + 0.300% (floating rate)
4) Scheduled borrowing date	October 29, 2021
5) Method of borrowing	To conclude an individual loan agreement on October 27, 2021 with the above lender
6) Final repayment date	October 31, 2022 (Note 2)
7) Repayment method	Lump-sum repayment at maturity
8) Interest payment date	First payment on January 31, 2022 with subsequent payments on the last day of April and July and on the final repayment date (Note 2)
9) Collateral	Unsecured/Unguaranteed

#### (2) Contract No. 0070

1) Lenders	Resona Bank, Limited, The Ashikaga Bank, Ltd., The Yamaguchi Bank, Ltd., The Higo Bank, Ltd.
2) Amount of borrowings	700,000,000 yen
3) Interest rate	Base interest rate (Note 1) + 0.300% (floating rate) (Note 3)
4) Scheduled borrowing date	October 29, 2021
5) Method of borrowing	To conclude individual loan agreements on October 27, 2021 with the above lenders
6) Final repayment date	October 31, 2024 (Note 2)
7) Repayment method	Lump-sum repayment at maturity
8) Interest payment date	First payment on January 31, 2022 with subsequent payments on the last day of April, July, October, and January each year and on the final repayment date (Note 2)
9) Collateral	Unsecured/Unguaranteed

(3) Contract No. 0071

1) Lenders	MUFG Bank, Ltd., Development Bank of Japan Inc., Sumitomo Mitsui Banking Corporation
2) Amount of borrowings	1,250,000,000 yen
3) Interest rate	Base interest rate (Note 1) + 0.405% (floating rate) (Note 3)
4) Scheduled borrowing date	October 29, 2021
5) Method of borrowing	To conclude individual loan agreements on October 27, 2021 with the above lenders
6) Final repayment date	April 30, 2026 (Note 2)
7) Repayment method	Lump-sum repayment at maturity
8) Interest payment date	First payment on January 31, 2022 with subsequent payments on the last day of April, July, October, and January each year and on the final repayment date (Note 2)
9) Collateral	Unsecured/Unguaranteed

(4) Contract No. 0072

1) Lenders	MUFG Bank, Ltd., Development Bank of Japan Inc., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd.
2) Amount of borrowings	2,850,000,000 yen
3) Interest rate	Base interest rate (Note 1) + 0.510% (floating rate) (Note 3)
4) Scheduled borrowing date	October 29, 2021
5) Method of borrowing	To conclude individual loan agreements on October 27, 2021 with the above lenders
6) Final repayment date	April 30, 2027 (Note 2)
7) Repayment method	Lump-sum repayment at maturity
8) Interest payment date	First payment on January 31, 2022 with subsequent payments on the last day of April, July, October, and January each year and on the final repayment date (Note 2)
9) Collateral	Unsecured/Unguaranteed

(Note 1) "Base interest rate" will be the 3-month Japanese Yen TIBOR announced by JBA TIBOR Administration two business days prior to each interest payment date immediately preceding the respective interest payment date (scheduled borrowing date for the first interest payment date). However, in the event that the interest rate corresponding to the period does not exist, the base interest rate will be calculated using the method stipulated in the loan agreement. For the JBA Japanese Yen TIBOR, please refer to the website of JBA TIBOR Administration (<https://www.jbatibor.or.jp/english>).

(Note 2) If the date falls on a non-business day, it will be the following business day; provided, however, if this subsequent business day is in the following month, the business day immediately preceding the date will be the final repayment date or interest payment date.

(Note 3) The interest rate (annual rate) is scheduled to be substantively fixed by concluding the swap agreements. For details, please refer to "4. Interest Rate Swap" below.

## 2. Purpose of Refinancing

Debt financing will be conducted in order to procure funds to repay the principal components of existing borrowings of which maturity date is arriving. For details of existing borrowings, please refer to "3. Total Amount to Be Procured, Use of Funds and Expenditure Date" below.

## 3. Total Amount to Be Procured, Use of Funds and Scheduled Expenditure Date

### (1) Total Amount to be procured

5,200,000,000 yen (scheduled)

### (2) Detailed Use of Funds

Funds from the Debt Financing will be fully allocated to the repayment of principal of existing borrowings. The targeted existing borrowings are the following existing borrowings.

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## Contract No. 0015

1) Lenders	MUFG Bank, Ltd., Development Bank of Japan Inc., Sumitomo Mitsui Banking Corporation
2) Amount of borrowings	3,500,000,000 yen
3) Interest rate	1.12193% (fixed rate)
4) Borrowing date	November 2, 2015
5) Method of borrowing	Concluded individual loan agreements on October 28, 2015 with the above lenders
6) Final repayment date	October 29, 2021 (Note 1)
7) Repayment method	Lump-sum repayment at maturity
8) Interest payment date	First payment on April 28, 2016 with subsequent payments on the last day of April and October each year and on the final repayment date
9) Collateral	Unsecured/Unguaranteed

## Contract No. 0040

1) Lenders	The Ashikaga Bank, Ltd., The Bank of Fukuoka, Ltd., The Yamaguchi Bank, Ltd., The Bank of Kyoto, Ltd., The Hokuriku Bank, Ltd.
2) Amount of borrowings	600,000,000 yen
3) Interest rate	Base interest rate (Note 2) + 0.2625% (floating rate)
4) Borrowing date	April 27, 2018
5) Method of borrowing	Concluded individual loan agreements on March 29, 2018 with the above lenders
6) Final repayment date	October 29, 2021 (Note 1)
7) Repayment method	Lump-sum repayment at maturity
8) Interest payment date	First payment on May 31, 2018 with subsequent payments on the last day of each month and on the final repayment date
9) Collateral	Unsecured/Unguaranteed

## Contract No. 0062

1) Lenders	Resona Bank, Limited, MUFG Bank, Ltd., The Bank of Fukuoka, Ltd., Development Bank of Japan Inc., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd.
2) Amount of borrowings	1,100,000,000 yen
3) Interest rate	Base interest rate (Note 2) + 0.300% (floating rate)
4) Borrowing date	October 30, 2020
5) Method of borrowing	Concluded individual loan agreements on October 28, 2020 with the above lenders
6) Final repayment date	October 29, 2021 (Note 1)
7) Repayment method	Lump-sum repayment at maturity
8) Interest payment date	First payment on November 30, 2020 with subsequent payments on the last day of each month and on the final repayment date
9) Collateral	Unsecured/Unguaranteed

(Note 1) If the date falls on a non-business day, it will be the following business day; provided, however, if this subsequent business day is in the following month, the business day immediately preceding the date will be the termination date.

(Note 2) "Base interest rate" will be the 1-month Japanese Yen TIBOR announced by JBA TIBOR Administration two business days prior to each interest payment date immediately preceding the respective interest payment date (scheduled borrowing date for the first interest payment date). However, in the event that the interest rate corresponding to the period does not exist, the base interest rate will be calculated using the method stipulated in the loan agreement. For the JBA Japanese Yen TIBOR, please refer to the website of JBA TIBOR Administration (<https://www.jbatibor.or.jp/english>).

- (3) Scheduled Expenditure Date  
October 29, 2021 (scheduled)

## 4. Interest Rate Swap

### (1) Purpose of Conducting Interest Rate Swap

The Interest Rate Swap will be conducted in order to hedge against risk of an increase in interest rate by fixing interest rates payable for the Debt Financing. Such Interest Rate Swap may not be conducted depending on terms on fixed interest rate payable scheduled to be determined on October 27, 2021.

### (2) Details of Interest Rate Swap

Contract No. of loan agreement		0070	0071	0072
Counterparty		TBD (Note)	TBD (Note)	TBD (Note)
Notional principal		700,000,000 yen	1,250,000,000 yen	2,850,000,000 yen
Interest rate	Fixed interest rate payable	TBD (Note)	TBD (Note)	TBD (Note)
	Floating interest rate receivable	Base interest rate (JBA 3-month Japanese Yen TIBOR)		
Commencement date		October 29, 2021	October 29, 2021	October 29, 2021
Termination date		October 31, 2024	April 30, 2026	April 30, 2027
Payment date		First payment on January 31, 2022 with subsequent payments on the last day of April, July, October, and January each year and the termination date		

(Note) Counterparty and fixed interest rate payable are scheduled to be determined on October 27, 2021 and will be announced once they are finalized.

## 5. Status of Interest-bearing Debt Before and After Debt Financing (scheduled)

(Unit: millions of yen)

	Before Debt Financing (Note 1)	After Debt Financing (Note 1)	Amount of Increase/Decrease
Short-term borrowings (Note 2)	1,550	450	(1,100)
Long-term borrowings (Note 2)	64,132	65,232	1,100
Total borrowings	65,682	65,682	–
Investment corporation bonds	2,800	2,800	–
Sum of borrowings and investment corporation bonds	68,482	68,482	–

(Note 1) Before Debt Financing and After Debt Financing indicate amounts after subtracting scheduled repayment to be made on October 29, 2021 (58,574,000 yen) from borrowed amounts as of today.

(Note 2) Short-term borrowings refer to borrowings with a borrowing period of one year or less, and long-term borrowings refer to borrowings with a borrowing period over one year.

(Note 3) Amounts have been rounded down to the nearest million yen.

## 6. Other Matters Necessary for Investors to Appropriately Understand and Evaluate the Provided Information

There is no change to the content of “Risks in Investment” set forth in HRR’s Securities Report submitted on July 27, 2021 with respect to the risks of the Debt Financing.

\* Hoshino Resorts REIT, Inc. website address: <https://www.hoshinoresorts-reit.com/en/>