

June 15, 2022

For Immediate Release

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

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## Notice Concerning the Borrowing of Funds

Hoshino Resorts REIT Inc. (hereinafter referred to as "HRR") announces the resolution made at its Board of Directors' Meeting held on June 15, 2022 to conduct borrowing (hereinafter the "Borrowing") as follows.

### 1. Details of the Borrowing (scheduled)

Lender(s) (Note 2)	Planned borrowing amount (Note 3)	Interest rate (Note 2)	Final repayment date (Note 2)	Repayment method (Note 2)
MUFG Bank, Ltd. Development Bank of Japan Inc. Sumitomo Mitsui Banking Corporation	1.9 billion yen	Base interest rate + 0.635% (Note 4) (Note 5)	December 29, 2028 (Note 6)	Lump-sum repayment at maturity
Resona Bank, Limited Mizuho Bank, Ltd.	4.3 billion yen	Base interest rate + 0.740% (Note 4) (Note 5)	December 28, 2029 (Note 6)	Lump-sum repayment at maturity

(Note 1) This notice is based on details contained in the notice of the screening result regarding this loan issued by the financial institutions (hereinafter referred to as "Letter of Intent"). There is no guarantee that the loan will be actually implemented.

(Note 2) The "Lender(s)", "Interest rate", "Final repayment date" and "Repayment method" are the same as described in the Term Sheet referred to by the Letter of Intent. The actual "Lender(s)", "Interest rate", "Final repayment date" and "Repayment method" may differ from the above. The same applies below.

(Note 3) The "Planned borrowing amount" is an estimated value calculated by the Asset Management Company based on the loan amount stated in the Letter of Intent and the Term Sheet referred to by the Letter of Intent, and on the estimated total amount of the issue value for the Public Offering and the Third-party Allotment (meaning the Public Offering and the Third-party Allotment of the Investment Units resolved at the meeting of HRR's Board of Directors held on June 15, 2022 as stated in the "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" separately announced as of today. The same applies below.) The actual loan amount shall be determined based on the loan agreement to be concluded after determination of the issue value of the Public Offering and the Third-Party Allotment, therefore it may change depending on the total issue value of the Public Offering and the total issue value of the Third-Party Allotment, etc. The same applies below.

(Note 4) For the "base interest rate", we schedule to adopt the interest rate (floating rate) determined based on the JBA 3-month Japanese Yen TIBOR, but such schedule is current as of today and is subject to change.

(Note 5) HRR has a policy of concluding an interest rate swap agreement and fixing the interest rates.

(Note 6) If this day does not coincide with a business day, it shall be changed to following business day. If the following business day falls in the following month, then the date shall be the immediately preceding business day. As of today, the drawdown date is scheduled to be July 1, 2022, but may be changed upon agreement between HRR and the lender(s).

(Note 7) If the total amount of the proceeds from the Public Offering and each of the above loans is less than the acquisition funds of the assets to be acquired and related costs, HRR plans, in addition to each of the above loans, to borrow up to the following amount (hereinafter referred to as the "Backup Loan"). However, since the loan is planned to be made only when the total amount of the proceeds from the Public Offering and each of the above loans is less than the acquisition fund of the assets to be acquired and related expenses, the loan is not guaranteed.

Note: This press release is for the purpose of publicly announcing the borrowing of funds by HRR and has not been prepared for the purpose of solicitation of investments. When making an investment, please ensure to read the prospectus for the issuance of new Investment Units and Secondary Offering of Investment Units prepared by HRR and any amendments thereto. Any investments should be made based on your own assessment and at your own risk.

Lender(s)	Planned borrowing amount (maximum amount)	Scheduled borrowing date	Interest rate	Final repayment date	Repayment method
MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd.	1.3 billion yen	2022 July 1	Base interest rate +0.300%(*)	June 30, 2023	Lump-sum repayment at maturity

\* The "base interest rate" is scheduled to be the interest rate (floating rate) to be determined based on the JBA 1-month Japanese Yen TIBOR, but such schedule is current as of today and is subject to change.

## 2. Purpose of the Borrowing

The Borrowing will be made in order to appropriate them to part of the acquisition cost (planned acquisition price) of 12.21 billion yen and related expenses (consumption tax and local consumption tax are included. The same applies below.) for "HOSHINOYA Okinawa" (Hereinafter referred to as the "Assets to be Acquired".) in the "Notice Concerning Acquisition and Lease of Domestic Real Estate (HOSHINOYA Okinawa (77.47% co-ownership))" announced today.

## 3. Amount, Use and Timing of Expenditure for Funds to be Procured

### (1) Amount of Funds to be Procured

6,200,000,000 yen (scheduled) (Note)

(Note) The above amount is the total scheduled amount of the Loan excluding the Backup Loan. Therefore, if the Backup Loan is fully executed, the amount of funds to be procured will be 7,500,000,000 yen (scheduled).

### (2) Specific Use of Funds to be Procured

Funds will be appropriated to part of the acquisition cost and related expenses for the Assets to Be Acquired.

### (3) Timing of Expenditure

July 1, 2022 (scheduled)

## 3. Status of Borrowings, etc. Before and After Executing the Borrowings (scheduled)

(millions of yen)

	Before executing the Borrowing	After executing the Borrowing	Change
Short-term borrowings (Note 1)	-	-	-
Long-term borrowings (Note 1)	65,624	71,824	+6,200
Total borrowings	65,624	71,824	+6,200
(Green loans)	3,900	3,900	-
Investment corporation bonds	2,800	2,800	-
(Green bonds)	1,300	1,300	-
Total borrowings and investment corporation bonds	68,424	74,624	+6,200
(Green finance)	5,200	5,200	-

(Note 1) Short-term loans refer to loans with original maturities of one year or less, and long-term loans refer to loans with original maturities of more than one year.

(Note 2) Amounts are rounded down to the nearest million yen.

(Note 3) The "Planned borrowing amount" is stated based on the estimated amount of the loan described in the Letter of Intent and the Term Sheet referenced to by the Letter of Intent, which is calculated by the Asset Management Company based on the estimated total Issue Value in the Offering and the Third-Party Allotment calculated based on the closing price of ordinary transactions on the Tokyo Stock Exchange as of May 25, 2022 (Wednesday). The actual loan amount shall be determined by the loan agreement to be concluded after determination of the Issue Value in the Public Offering and the Third-Party Allotment, therefore it may change depending on the total Issue Value in the Public Offering and the total Issue Value in the Third-Party Allotment, etc.

(Note 4) This table does not include the loan amount for the Backup Loan. However, if the Backup Loan is executed, the borrowing amount will be included in the Short-term Loans.

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4. Other Matters Necessary for Investors to Appropriately Understand and Evaluate the Provided Information  
There is no change to the content of “Investment Risks” described in the Securities Report filed today with respect to the risks involved in the Borrowing.

\* The HRR website address: <https://www.hoshinoresorts-reit.com/en/>

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