

June 24, 2020

For Immediate Release

REIT Securities Issuer

Hoshino Resorts REIT, Inc.

Representative: Kenji Akimoto, Executive Director
(Code: 3287)

Asset Management Company

Hoshino Resort Asset Management Co., Ltd.

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Notice Concerning Debt Financing

Hoshino Resorts REIT, Inc. (hereinafter “HRR”) announces the resolution made at its Board of Directors’ Meeting held on June 24, 2020 to conduct debt financing (hereinafter the “Debt Financing”) as follows.

1. Details of Debt Financing

Contract No. 0061

1) Lender	MUFG Bank, Ltd.
2) Amount of the loan	149,000,000 yen
3) Interest rate	Base interest rate (Note 1) + 0.300% (floating rate)
4) Scheduled borrowing date	June 30, 2020
5) Method of borrowing	To conclude individual loan agreement on June 26, 2020 (scheduled) with the above lender
6) Final repayment date	June 30, 2021 (Note 2)
7) Repayment method	Lump-sum repayment at maturity
8) Interest payment date	First payment on July 31, 2020 with subsequent payments on the last day of each month and on the final repayment date (Note 2)
9) Collateral	Unsecured/Unguaranteed

(Note 1) “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 (<http://www.jbatibor.or.jp/english>) (the same shall apply hereinafter).

(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.

2. Purpose of Debt Financing

To allocate a part of the funds to the renovation of Iriomote Hotel.

3. Total Amount of the Loan, Use of Proceeds and Scheduled Expenditure Date

(1) Total Amount of the Loan

149,000,000 yen (scheduled)

(2) Detailed Use of Proceeds

A part of the funds will be allocated to the renovation of Iriomote Hotel.

Hoshino Resorts REIT, Inc.

(3) Scheduled Expenditure Date
July 31, 2020 (scheduled)

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

(Unit: millions of yen)

	Before Debt Financing	After Debt Financing	Amount of Increase / Decrease
Short-term loans (Note 1)	1,400	1,549	149
Long-term loans (Note 1)	64,858	64,858	–
Total loans	66,258	66,407	149
Investment corporation bonds	1,500	1,500	–
Sum of borrowings and investment corporation bonds	67,758	67,907	149
Other interest-bearing debt	–	–	–
Total interest-bearing debt	67,758	67,907	149

(Note 1) Short-term loans refer to loans with a borrowing period of one year or less, and long-term loans refer to loans with a borrowing period over one year.

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

5. 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 January 27, 2020 with respect to the risks of the Debt Financing.

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