



**Hoshino
Resorts
REIT**

Supplementary Explanatory Materials: Press Release Issued on October 26, 2020

October 26, 2020

“Notice Concerning Revisions to Management Status Forecast and Distribution Forecast for the Fiscal Period Ending April 2021”

“Notice Concerning Acquisition of Domestic Real Estate (KAI Enshu)”

“Notice Concerning the Change to the Asset Management Fee Structure”



Securities Code: 3287

<https://www.hoshinoresorts-reit.com/en/>

Asset Management Company:
Hoshino Resort Asset Management Co., Ltd.

KAI Enshu Guest room

Revisions to distribution forecast for the 16th fiscal period (ending April 2021)

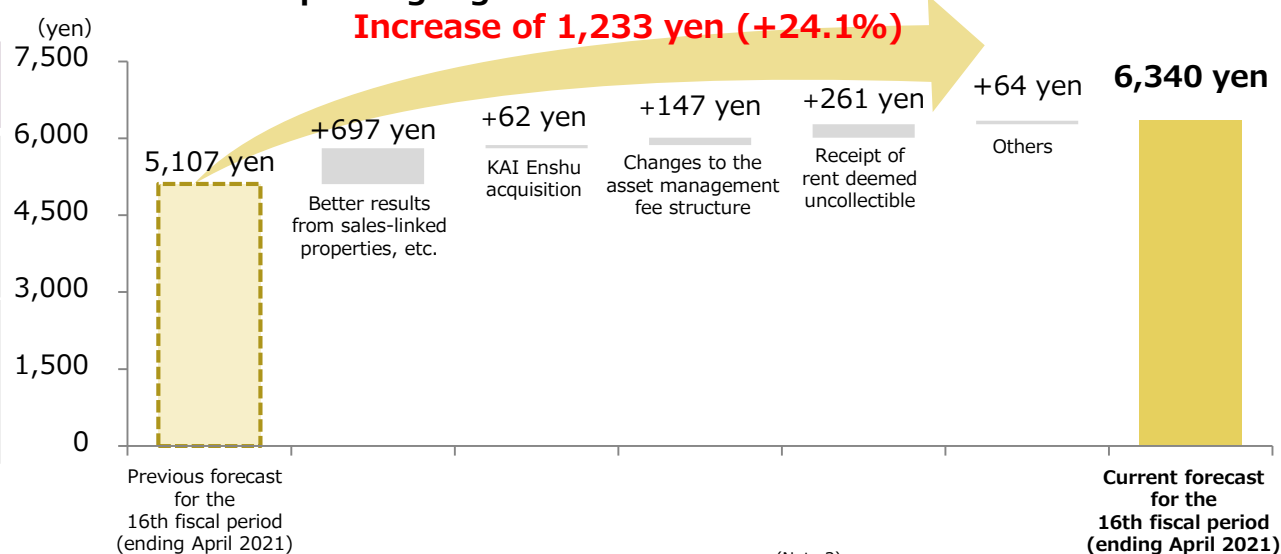
Hoshino Resorts REIT, Inc.

- The floating rent with respect to mainly sales-linked properties for the 16th fiscal period are higher than anticipated when forecasts were released in June, due to improvement in operational results of Hoshino Resorts^(Note 1)-managed properties.
- We anticipate an increase of 62 yen in distributions per unit (DPU) for the 16th fiscal period and an increase of roughly 140 yen in DPU for the 17th fiscal period, as a result of having acquired Hoshino Resorts' KAI Enshu, which has been performing well due to microtourism demand.
- We anticipate a decrease in the total amount of asset management fees during the 16th fiscal period, which is under the influence of the COVID-19 pandemic. This will involve lowering the commission rate of the asset management fee linked to total assets and establishing new asset management fee linked to DPU.
- Expected unpaid rent for the 16th fiscal period has been resolved upon having reached agreements with several tenants (non-Hoshino Resorts tenants) from whom we had initially deemed non-payment of rent as likely.

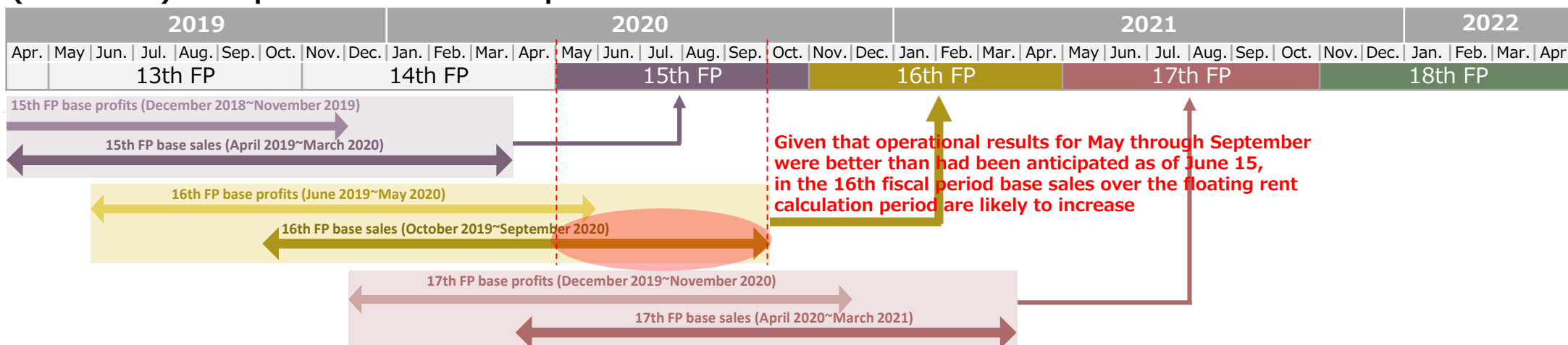
Financial forecast summary^(Note 2)

	Previous (released June 15)	Current (released October 26)
Forecast for the 15th fiscal period (ending October 2020)	12,753 yen	No change
Forecast for the 16th fiscal period (ending April 2021)	5,107 yen	6,340 yen (+1,233 yen, +24.1% vs. previous forecast)

Factors underpinning higher DPU



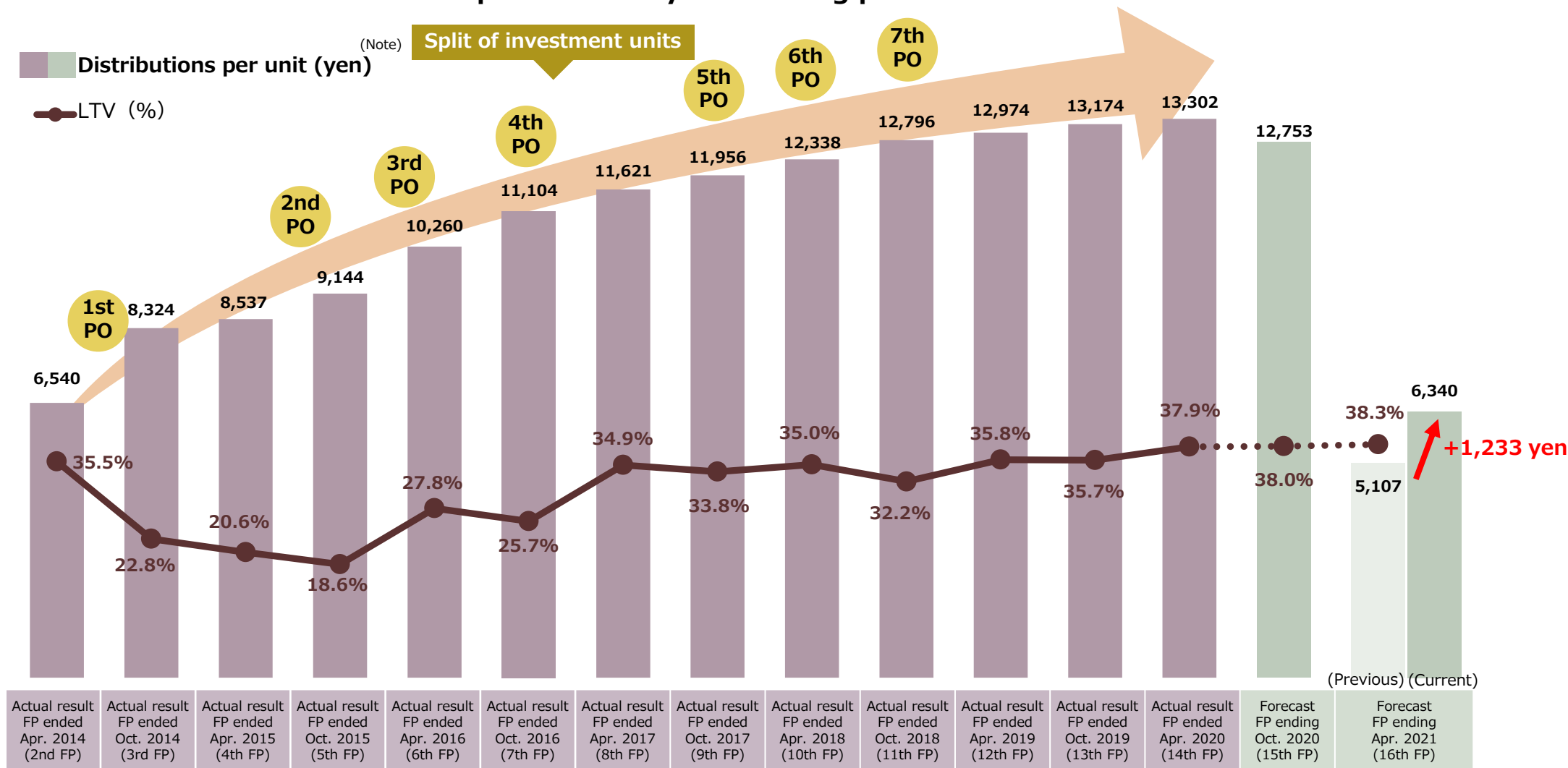
(Reference) Base profit and base sales period used as basis for distribution calculations^(Note 3)



Changes in distributions per unit

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Distributions per unit have increased continuously for the 13 fiscal periods since listing. Distributions are expected to fall in the 15th fiscal period ending Oct. 2020 and the 16th fiscal period ending Apr. 2021 due to COVID-19, but we will continue to leverage external growth, internal growth, and financial strategies to strive to increase distribution and improve stability over a long period of time.



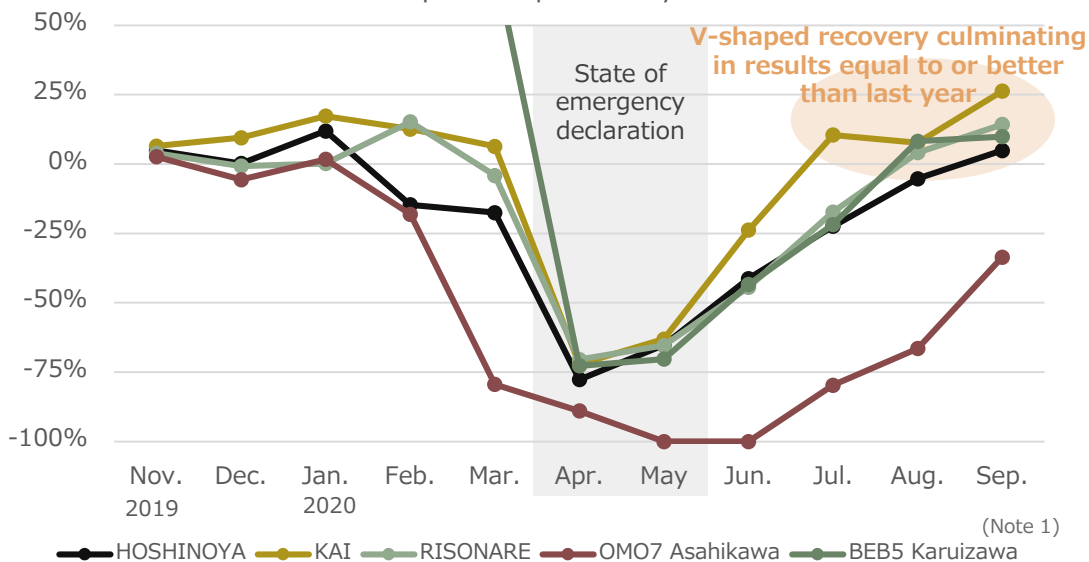
Improvement factors (1): Better results from sales-linked properties, etc. Revenue per available room (RevPAR) vs. previous year for each brand pre- and post-COVID-19

Hoshino Resorts REIT, Inc.

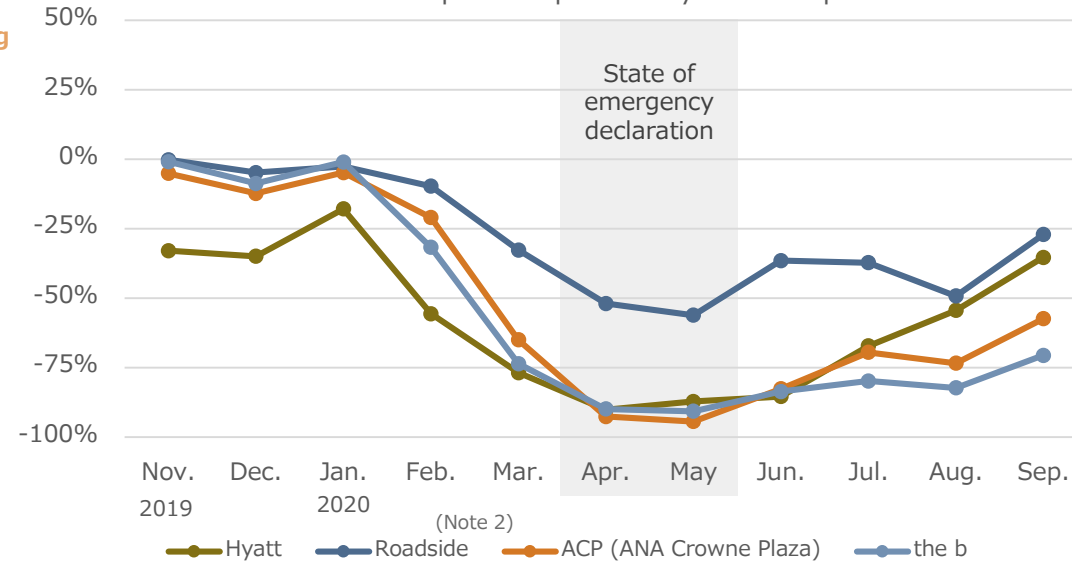
Having set its sights on the prospect of an era beset by COVID-19 amid the prevailing state of emergency declaration, Hoshino Resorts proposed options that include microtourism as a new approach to travel and stays for avoiding the 3C (Crowded spaces, human Contact, Closed spaces). Those solutions have generated results culminating in a V-shaped recovery with respect to our three flagship brands (HOSHINOYA, KAI and RISONARE).

Rates of change in RevPAR from Nov. 2019 to Sep. 2020 (vs. previous year)

Properties operated by Hoshino Resorts



Properties operated by outside operator



Comments regarding individual brands after the state of emergency declaration

HOSHINOYA	Whereas Taketomi Island struggled amid Okinawa Prefecture having issued its own state of emergency declaration, Fuji achieved strong performance upon having met demand from those seeking to avoid the 3C by enlisting the concept of "glamping" (glamorous camping).
KAI	KAI achieved results exceeding those of the previous year amid robust performance from the KAI brand overall, having succeeded in tapping microtourism demand at each lodging facility.
RISONARE	Demand has been steadily recovering in the accommodation business, yet Yatsugatake has been generating somewhat lackluster performance due to factors that include the wedding business encountering a decrease in the size of individual events and lower unit pricing. Demand with respect to Atami has been swiftly returning, particularly in August which saw the property achieve better results than it did in August of the previous year.
OM07 Asahikawa	The banquet and restaurant business continues to struggle but the accommodation business has been showing signs of gradual recovery, particularly given that OM07 Asahikawa has been maintaining high unit pricing in comparison with other competing facilities and has been tapping long-term demand for telework.
BEB5 Karuizawa	Results in August exceeded those of August in the previous year due to higher average daily rate (ADR) brought about by changes of sales plans and due to greater demand brought about by the government's Go To Travel campaign.

Hyatt	Hyatt has been conducting distinctive activities that have stimulated a measure of microtourism demand, yet it has been struggling due to contracting inbound tourism and business demand.
Roadside	The lack of events and leisure activities has dampened demand for accommodation, particularly that involving use of accommodation prior to such events and activities. Meanwhile, Roadside achieved solid performance having tapped demand particularly with respect to business trips and business groups.
ACP (ANA Crowne Plaza)	Signs of recovery were apparent in September, despite ACP having struggled due to lower accommodation demand brought about by a lack of inbound tourism, companies suspending business trips, and cancellations of banquets and bridal events.
the b	Relatively high profitability within the b brand has been achieved by the b sangenjaya with its solid accommodation demand and the b kobe with its high ratio of tenant income. Meanwhile, the b akasaka and the b nagoya have been struggling, the former of which is in a state of longstanding closure and the latter of which has been unable to tap demand to replace that of inbound tourism.

Improvement factors (2): Acquisition of Hoshino Resorts' KAI Enshu

Prime sponsor properties acquired at high yields despite the COVID-19 pandemic

Hoshino Resorts REIT, Inc.

We made a high-yielding acquisition of sponsor's property KAI Enshu which generates sound results by tapping microtourism demand. Located in Shizuoka Prefecture which is well known for its teahouses, KAI Enshu offers accommodations that enable its guests to enjoy tea culture, including tea fields and tea-infused baths as part of the KAI brand's original "Gotochi-raku" (Cultural Discovery) concept in terms of providing hospitality that embraces distinctive cultures of respective geographic regions. It attracts many guests from the surrounding area.

KAI Enshu

Advantages of the acquisition

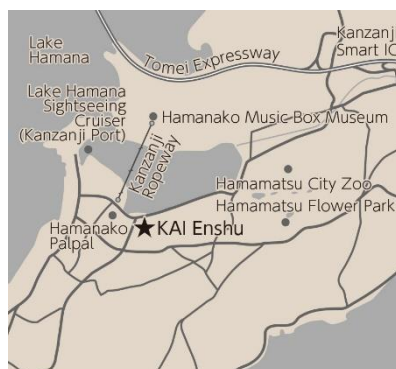
- The acquisition increases the ratio of properties operated by HRR's sponsor Hoshino Resorts.
- The property generates sound results by tapping microtourism demand.
- The high-yielding acquisition maintains yield after depreciation of 5.9%.



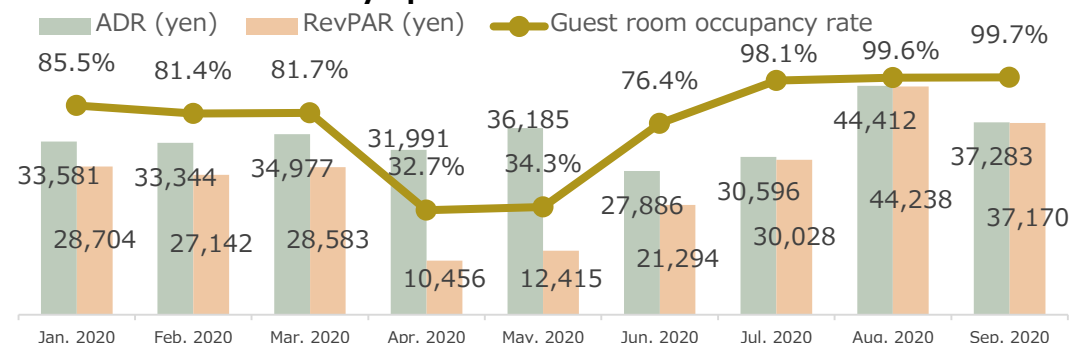
Overview of the property

Address	Hamamatsu-shi, Shizuoka
Construction completion	April 1997
Planned acquisition date	November 2, 2020
Total number of guest rooms	33
Lessee's attribute	Hoshino Resorts
Rent type	Fixed + Floating
Operator's attribute	Hoshino Resorts
Planned acquisition price	1.05 billion yen
Real estate appraisal value	1.07 billion yen
Lease period	20 years
Appraisal NOI yield	7.9%

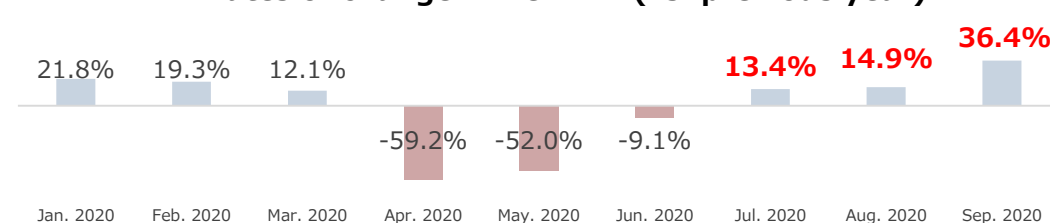
Appraisal NCF yield	5.8%
Yield after depreciation	5.9%



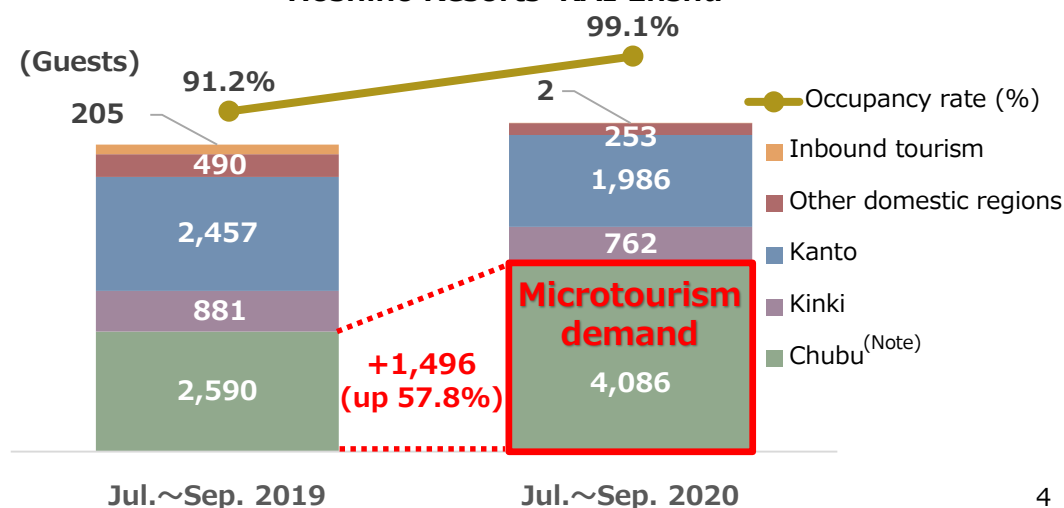
Monthly operation results



Rates of change in RevPAR (vs. previous year)



Number of guests by region and occupancy rate of Hoshino Resorts' KAI Enshu



Improvement factors (3): Ramifications of changing the asset management fee structure

Shifting to a fee structure that places emphasis on unitholder profits

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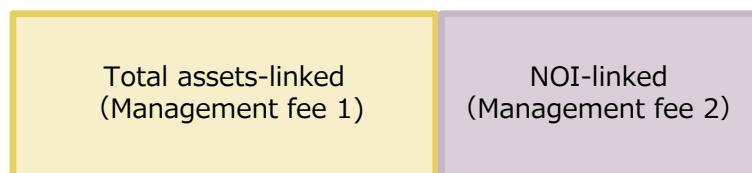
We will change the fee structure so that it places even greater emphasis on unitholder profits. This will involve enhancing the link with unitholder profits by (1) reducing the commission rate on fees linked to asset size and (2) changing the formula for calculations connecting profit-linked fees linked exclusively to NOI and distributions per unit (DPU).

Overview

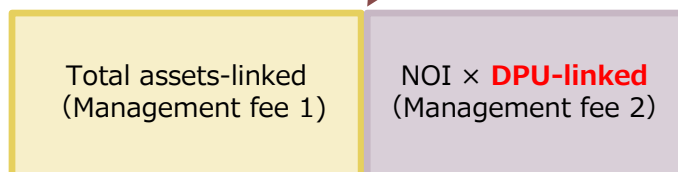
Management fee	Before change (Until October 31, 2020)		After change (From November 1, 2020)			
Management fee 1	Total assets × Commission rate	Commission rate 1.0% (maximum)	Total assets × Commission rate	Commission rate 0.7% (maximum)	Change in Commission rate	We will lower the commission rate on asset management fees linked to total assets in order to strengthen the linkage with unitholder profits.
Management fee 2	NOI × Commission rate	Commission rate 5.0% (maximum)	—	—	Abolition	—
	—	—	NOI × DPU × Commission rate	Commission rate 0.00015% (maximum)	Newly established	We will create a link between the profits of unitholders and the profits of the Asset Management Company by establishing a new management fee structure linked with DPU.

Overview of change

Before change

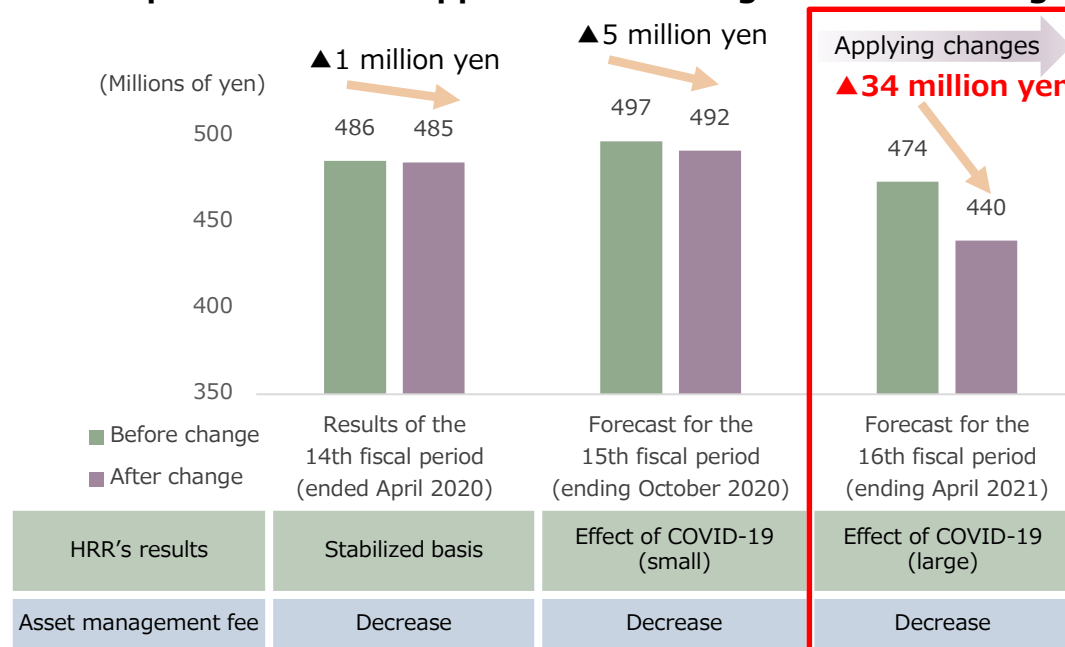


After change



This is intended for purpose of illustrating the management fee changes and does not constitute a breakdown of actual management fees.

Estimated value upon retroactive application of change to asset management fees



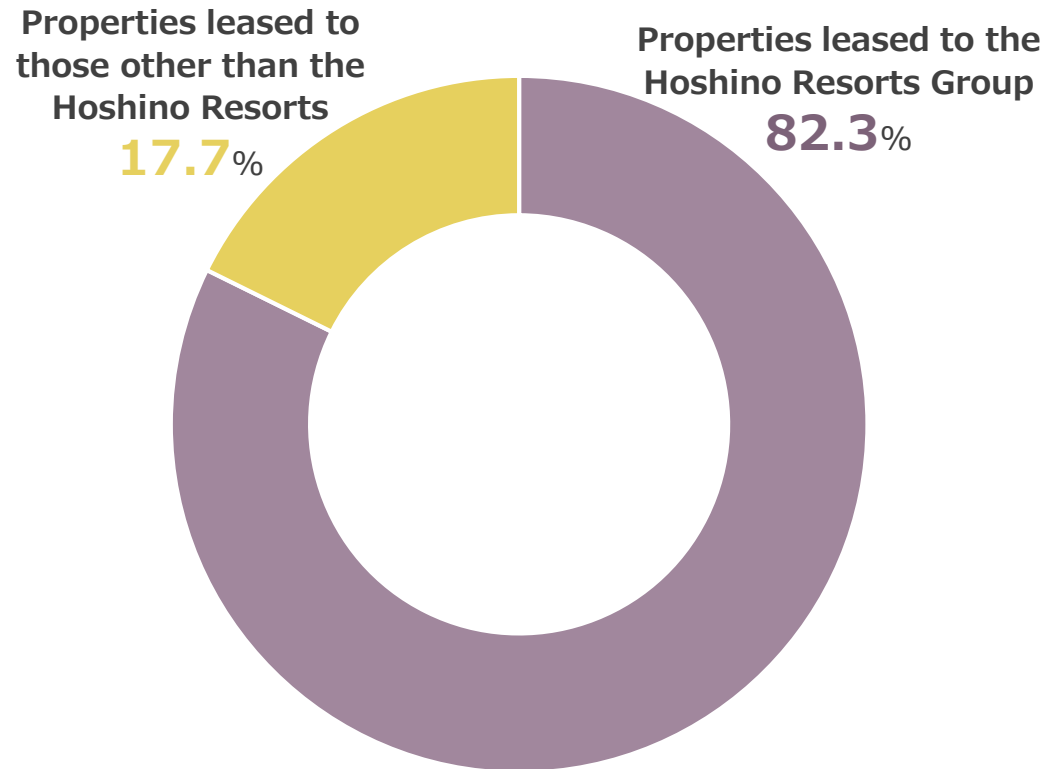
※1 Results for the 15th fiscal period (ending October 2020) are based on forecast values pursuant to certain criteria. Results for the 16th fiscal period (ending April 2021) are based on forecast values released in the document, "Notice Concerning Revisions to Management Status Forecast and Distribution Forecast for the Fiscal Period Ending April 2021," dated October 26, 2020. The amounts prior to changing the asset management fees are the result of trial calculations made on the basis of the asset management fee structure in the 15th fiscal period. As such, the actual amount for the 14th fiscal period differs from the forecasted amount. Moreover, the actual amount for the 15th fiscal period may vary from the forecasted amount. The amounts subsequent to changing the asset management fees are the result of trial calculations made under the assumption that the asset management fee structure has been changed from the beginning of the respective fiscal periods. As such the actual amount for the 16th fiscal period may vary from the forecasted amount.

※2 A proposal to partially amend the Articles of Incorporation of HRR to include the contents of the changes will be submitted at the 5th General Meeting of Unitholders to be held on January 27, 2021. The change shall take effect upon approval and adoption of the proposal at the General Meeting of Unitholders.

With the acquisition of KAI Enshu, properties operated by Hoshino Resorts amount to 32.6% of the portfolio, for an increase of 0.4 percentage point. Anticipating consistent cash flows over the long-term, HRR accordingly aims to increase the proportion of properties operated by the Hoshino Resorts in the portfolio to over 50%.

Distribution by lessee

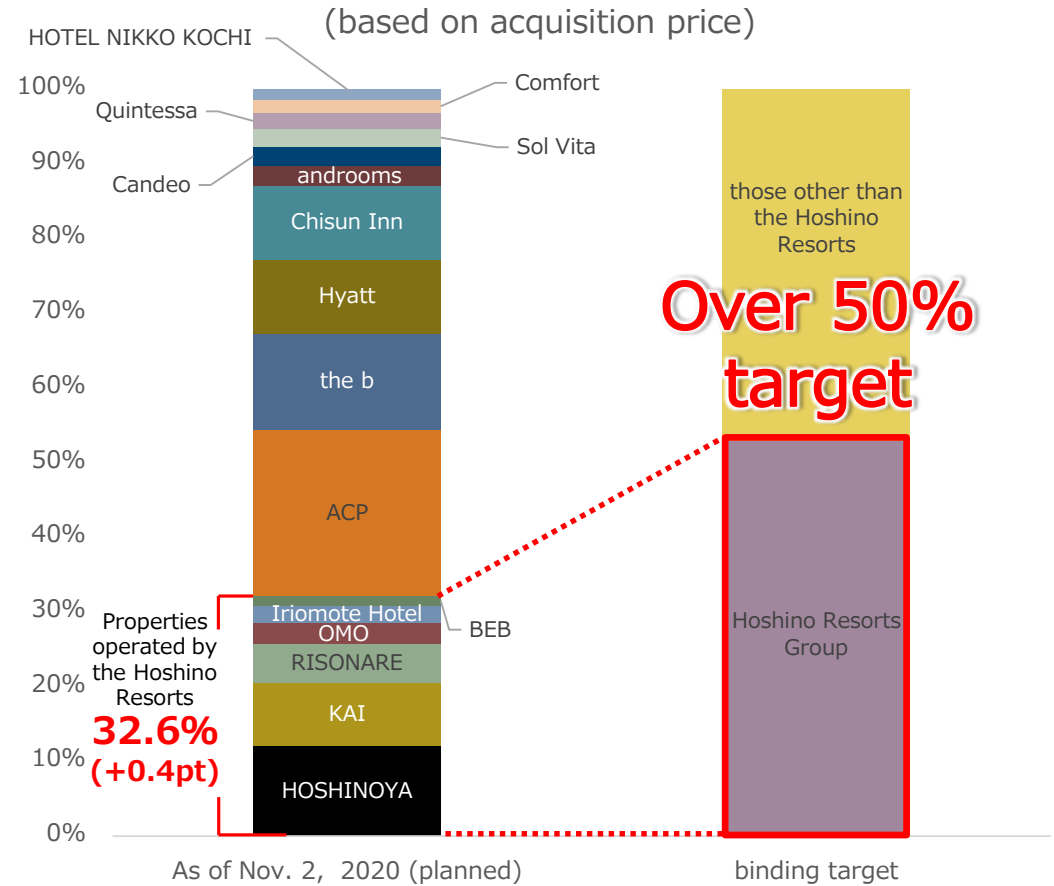
(based on acquisition price)



As of November 2, 2020 (planned)

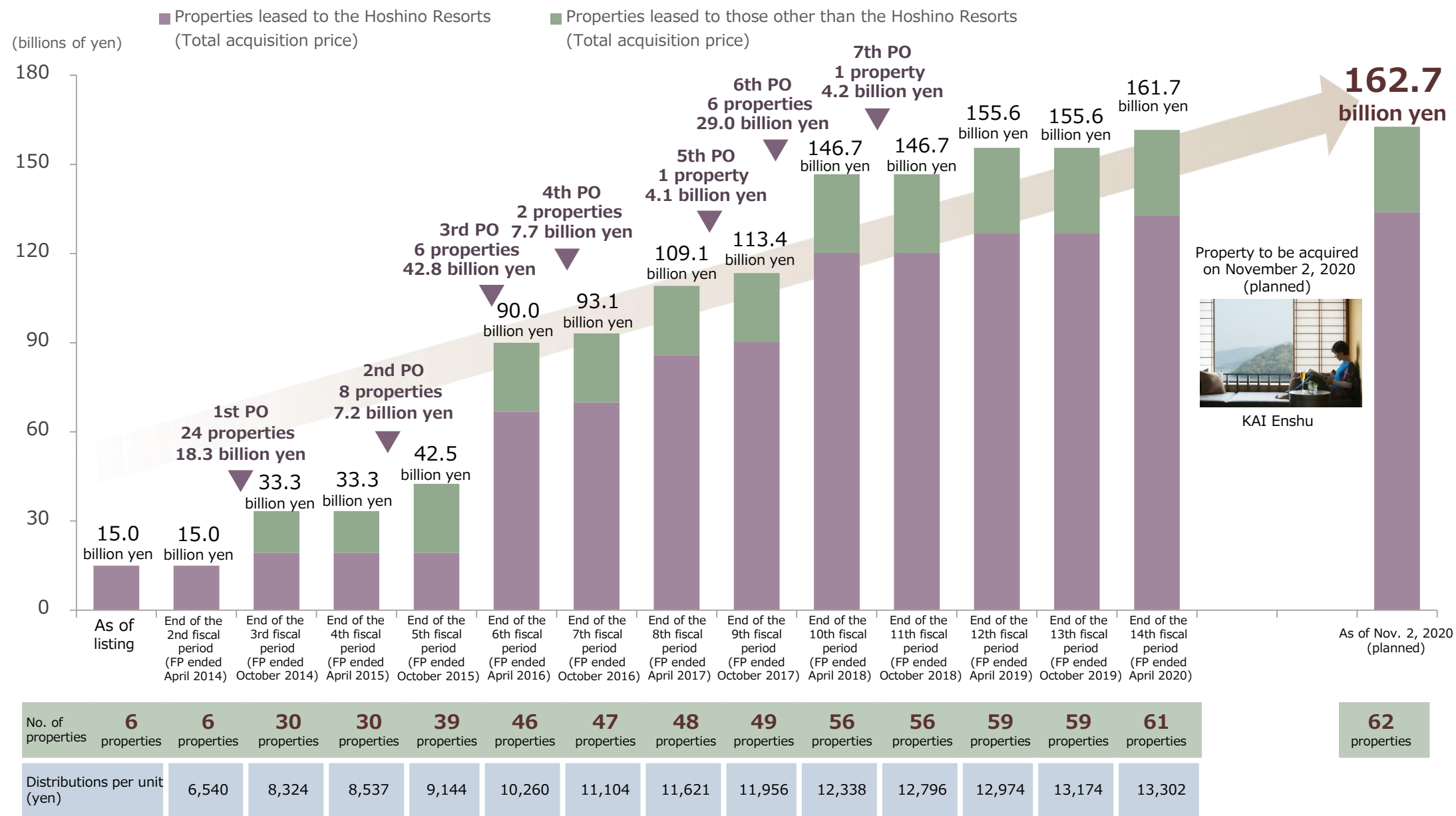
Distribution by operated brand

(based on acquisition price)



Subsequent to Hoshino Resorts' acquisition of KAI Enshu: AUM

Hoshino Resorts REIT, Inc.



Operational results for each property (1)

Hoshino Resorts REIT, Inc.

HOSHINOYA Karuizawa



Address: Karuizawa-machi,
Kitasaku-gun, Nagano
Number of guest rooms: 77

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	94.5%	91.2%	92.6%	78.0%	73.6%	23.9%	27.9%	46.7%	81.4%	96.1%	97.8%	-	-	-
ADR (yen)	76,653	72,577	77,193	56,428	65,434	71,067	81,021	75,217	85,244	110,420	93,910	-	-	-
RevPAR (yen)	72,450	66,162	71,464	43,995	48,137	16,951	22,637	35,136	69,426	106,164	91,823	-	-	-
Sales (millions of yen)	296	301	204	192	221	85	100	138	270	428	335	-	-	-
(Note 1) (Note 2) (Note 3) (Note 4)														

HOSHINOYA Kyoto



Address: Kyoto-shi, Kyoto
Number of guest rooms: 25

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	98.0%	95.4%	89.7%	83.6%	57.3%	16.0%	20.4%	55.2%	75.7%	90.8%	94.8%	-	-	-
ADR (yen)	122,971	101,692	78,083	66,663	90,447	110,494	82,045	68,915	73,385	83,126	85,271	-	-	-
RevPAR (yen)	120,512	96,969	70,023	55,716	51,817	17,679	16,748	38,062	55,577	75,511	80,836	-	-	-
Sales (millions of yen)	128	110	84	42	62	21	19	39	67	89	92	-	-	-

HOSHINOYA Fuji



Address: Fujikawaguchiko-machi,
Minamitsuru-gun, Yamanashi
Number of guest rooms: 40

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	98.3%	97.3%	87.4%	85.6%	76.5%	26.9%	36.0%	57.4%	80.7%	98.1%	99.0%	-	-	-
ADR (yen)	68,940	65,176	75,166	56,098	65,708	74,117	73,769	55,562	70,821	92,112	75,179	-	-	-
RevPAR (yen)	67,733	63,441	65,681	48,022	50,287	19,937	26,592	31,901	57,171	90,404	74,427	-	-	-
Sales (millions of yen)	125	121	82	89	100	34	53	62	110	167	138	-	-	-

HOSHINOYA Taketomi Island (Note 5)



Address: Taketomi-cho,
Yaeyama-gun, Okinawa
Number of guest rooms: 48

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	83.5%	73.3%	70.9%	83.9%	84.1%	16.2%	-	-	66.5%	66.6%	68.6%	-	-	-
ADR (yen)	52,878	55,379	52,585	46,512	52,807	53,282	-	-	66,911	74,371	61,845	-	-	-
RevPAR (yen)	44,175	40,604	37,291	39,027	44,396	8,642	-	-	44,472	49,531	42,433	-	-	-
Sales (millions of yen)	108	101	73	95	117	20	0	0	101	112	98	-	-	-

Operational results for each property (2)

Hoshino Resorts REIT, Inc.

RISONARE Yatsugatake



Address: Hokuto-shi, Yamanashi
Number of guest rooms: 172

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	92.9%	82.9%	82.7%	97.9%	82.6%	16.7%	21.0%	38.5%	83.0%	98.7%	98.8%	-	-	-
ADR (yen)	29,200	37,805	41,450	31,321	35,130	33,821	41,418	31,626	44,959	66,155	48,477	-	-	-
RevPAR (yen)	27,117	31,338	34,290	30,652	29,022	5,643	8,700	12,191	37,328	65,324	47,913	-	-	-
Sales (millions of yen)	381	359	225	249	279	70	94	122	354	591	449	-	-	-

RISONARE Atami



Address: Atami-shi, Shizuoka
Number of guest rooms: 81

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	86.0%	90.5%	90.7%	86.9%	88.8%	31.8%	30.4%	64.5%	87.5%	98.2%	97.4%	-	-	-
ADR (yen)	47,089	56,178	54,549	47,761	50,849	45,396	46,897	39,132	50,162	84,262	51,136	-	-	-
RevPAR (yen)	40,500	50,821	49,461	41,499	45,179	14,441	14,268	25,252	43,889	82,718	49,789	-	-	-
Sales (millions of yen)	150	172	157	150	173	56	52	81	160	283	179	-	-	-

9 KAI properties



Total number of guest rooms: 322

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	83.6%	81.2%	77.6%	75.4%	72.7%	21.2%	24.3%	54.3%	90.9%	99.3%	99.1%	-	-	
ADR (yen)	40,856	41,435	40,033	36,279	35,213	33,349	40,148	29,525	32,125	46,867	39,470	-	-	
RevPAR (yen)	34,157	33,632	31,062	27,347	25,607	7,075	9,775	16,033	29,191	46,529	39,114	-	-	
Sales (millions of yen)	645	599	573	530	533	136	146	288	615	854	717	-	-	

OMO7 Asahikawa ^(Note)



Address: Asahikawa-shi, Hokkaido
Number of guest rooms: 237

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	59.8%	62.5%	70.1%	66.0%	19.8%	9.2%	-	-	21.8%	31.6%	69.4%	-	-	
ADR (yen)	7,782	8,004	8,191	9,933	6,053	5,923	-	-	17,161	18,778	11,733	-	-	
RevPAR (yen)	4,652	4,999	5,744	6,558	1,199	544	-	-	3,734	5,937	8,137	-	-	
Sales (millions of yen)	133	146	157	129	29	6	1	3	36	53	78	-	-	

Operational results for each property (3)

Hoshino Resorts REIT, Inc.

BEB5 Karuizawa (Note)



Address: Kitasaku-gun, Nagano
Number of guest rooms: 73

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	-	-	78.9%	74.4%	88.4%	14.7%	16.2%	34.0%	65.6%	98.2%	94.1%	-	-	-
ADR (yen)	-	-	17,020	15,857	15,558	15,727	18,897	16,367	17,377	18,839	17,545	-	-	-
RevPAR (yen)	-	-	13,432	11,789	13,750	2,306	3,063	5,560	11,395	18,497	16,511	-	-	-
Sales (millions of yen)	-	-	24	27	35	5	5	13	28	45	39	-	-	-

ANA Crowne Plaza Hiroshima



Address: Hiroshima-shi, Hiroshima
Number of guest rooms: 409

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	89.9%	69.9%	62.6%	64.4%	30.0%	13.4%	11.0%	20.6%	27.8%	27.6%	44.9%	-	-	-
ADR (yen)	14,770	9,911	9,685	9,892	9,731	8,194	9,935	8,989	9,175	10,383	10,304	-	-	-
RevPAR (yen)	13,272	6,924	6,061	6,372	2,921	1,101	1,097	1,848	2,553	2,864	4,625	-	-	-
Sales (millions of yen)	494	450	338	307	145	57	40	77	117	111	168	-	-	-

ANA Crowne Plaza Fukuoka



Address: Fukuoka-shi, Fukuoka
Number of guest rooms: 320

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	92.0%	88.7%	82.4%	79.4%	40.0%	11.3%	10.4%	19.7%	34.2%	31.7%	46.2%	-	-	-
ADR (yen)	16,214	14,110	13,098	13,678	12,552	11,974	13,177	11,491	10,922	11,373	11,290	-	-	-
RevPAR (yen)	14,915	12,509	10,790	10,858	5,023	1,348	1,370	2,267	3,738	3,605	5,216	-	-	-
Sales (millions of yen)	352	306	263	249	123	24	21	39	85	75	103	-	-	-

ANA Crowne Plaza Kanazawa



Address: Kanazawa-shi, Ishikawa
Number of guest rooms: 249

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	87.6%	66.8%	60.8%	67.2%	28.9%	7.5%	1.6%	13.2%	25.7%	22.2%	36.2%	-	-	-
ADR (yen)	18,512	13,026	11,737	12,137	12,363	8,911	9,954	10,029	11,124	14,353	13,228	-	-	-
RevPAR (yen)	16,212	8,701	7,133	8,155	3,568	666	161	1,327	2,853	3,189	4,784	-	-	-
Sales (millions of yen)	328	289	222	206	70	27	7	35	71	78	81	-	-	-

Operational results for each property (4)

Hoshino Resorts REIT, Inc.

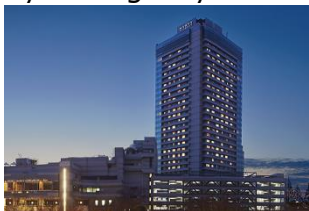
ANA Crowne Plaza Toyama



Address: Toyama-shi, Toyama
Number of guest rooms: 252

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	83.0%	67.2%	61.2%	61.6%	43.0%	14.9%	0.2%	19.9%	30.8%	32.6%	52.3%	-	-	-
ADR (yen)	10,518	8,860	8,038	7,964	7,057	7,215	8,065	7,524	8,684	9,605	8,417	-	-	-
RevPAR (yen)	8,733	5,954	4,917	4,909	3,038	1,075	17	1,493	2,671	3,132	4,402	-	-	-
Sales (millions of yen)	266	240	168	152	86	29	0	35	60	69	95	-	-	-

Hyatt Regency Osaka



Address: Osaka-shi, Osaka
Number of guest rooms: 480

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	57.7%	50.2%	51.2%	35.1%	17.9%	10.6%	12.6%	15.2%	25.2%	32.8%	36.7%	-	-	-
ADR (yen)	16,997	15,293	14,821	14,735	13,313	12,212	11,649	12,143	13,511	17,384	15,950	-	-	-
RevPAR (yen)	9,812	7,675	7,581	5,178	2,385	1,300	1,463	1,843	3,410	5,710	5,855	-	-	-
Sales (millions of yen)	342	286	254	158	98	42	31	41	92	129	137	-	-	-

22 Roadside properties



Total number of guest rooms: 2,205

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	85.1%	76.2%	73.5%	73.9%	61.0%	50.0%	46.0%	56.7%	58.6%	55.2%	64.7%	-	-	
ADR (yen)	6,038	5,778	5,541	5,659	5,337	5,006	4,993	4,980	5,368	5,953	5,634	-	-	
RevPAR (yen)	5,138	4,402	4,071	4,181	3,254	2,502	2,295	2,824	3,147	3,286	3,644	-	-	
Sales (millions of yen)	360	320	296	285	238	179	168	198	227	237	254	-	-	

4 the b properties



Total number of guest rooms: 667

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	90.9%	87.1%	80.1%	64.2%	33.5%	17.6%	15.5%	24.9%	30.4%	25.7%	41.0%	-	-	
ADR (yen)	10,071	9,079	8,205	8,831	7,099	5,472	5,068	5,329	5,618	5,890	5,715	-	-	
RevPAR (yen)	9,155	7,904	6,573	5,669	2,379	963	783	1,326	1,709	1,516	2,341	-	-	
Sales (millions of yen)	209	188	160	131	67	36	36	47	55	49	64	-	-	

Operational results for each property (5)

Hoshino Resorts REIT, Inc.

															(Note1)														
KAI Matsumoto	2019		2020										Accumulated total	Year to year comparison	KAI Izumo	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.				Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	77.9%	75.5%	74.2%	66.8%	71.8%	19.1%	26.1%	53.3%	85.2%	98.9%	99.6%	-	-	-	Guest room occupancy rate	99.0%	98.9%	89.9%	91.4%	89.7%	37.5%	28.3%	-	97.3%	99.6%	99.6%	-	-	-
ADR (yen)	42,855	40,920	45,752	32,487	35,735	45,557	46,984	37,474	41,191	58,042	47,476	-	-	-	ADR (yen)	52,261	45,078	44,509	42,441	44,623	42,860	51,255	-	45,475	55,263	51,071	-	-	-
RevPAR (yen)	33,404	30,880	33,936	21,715	25,671	8,691	12,248	19,986	35,109	57,394	47,294	-	-	-	RevPAR (yen)	51,753	44,594	40,022	38,773	40,005	16,072	14,522	-	44,255	55,040	50,850	-	-	-
Sales (millions of yen)	48	44	33	33	43	11	14	28	53	78	66	-	-	-	Sales (millions of yen)	69	66	60	52	57	19	19	0	58	71	62	-	-	-
KAI Ito	2019		2020										Accumulated total	Year to year comparison	KAI Hakone	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.				Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	91.3%	94.4%	90.6%	93.8%	89.7%	28.2%	34.8%	58.8%	93.7%	99.6%	99.9%	-	-	-	Guest room occupancy rate	98.3%	97.2%	93.9%	84.2%	85.0%	23.1%	27.8%	69.0%	95.3%	99.3%	99.0%	-	-	-
ADR (yen)	37,689	44,285	41,561	42,087	43,503	40,204	44,882	34,411	36,253	52,513	43,569	-	-	-	ADR (yen)	57,908	53,735	49,370	50,876	45,135	44,488	50,257	38,263	43,396	53,365	46,970	-	-	-
RevPAR (yen)	34,422	41,807	37,673	39,474	39,012	11,343	15,602	20,237	33,953	52,287	43,520	-	-	-	RevPAR (yen)	56,943	52,249	46,334	42,817	38,356	10,259	13,972	26,386	41,340	52,988	46,514	-	-	-
Sales (millions of yen)	68	69	72	71	74	20	24	35	67	90	76	-	-	-	Sales (millions of yen)	91	72	79	68	70	19	22	47	76	92	77	-	-	-
KAI Aso	2019		2020										Accumulated total	Year to year comparison	KAI Kawayi	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.				Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	95.3%	96.6%	85.1%	83.0%	83.1%	30.9%	51.4%	66.4%	79.5%	97.8%	99.4%	-	-	-	Guest room occupancy rate	78.1%	65.8%	66.8%	72.2%	65.8%	24.9%	28.9%	61.0%	87.6%	99.5%	96.5%	-	-	-
ADR (yen)	80,162	72,557	70,729	63,764	65,274	63,150	80,003	58,801	63,886	78,942	68,958	-	-	-	ADR (yen)	26,315	28,409	28,910	22,261	21,305	14,206	12,974	13,503	17,270	32,170	24,503	-	-	-
RevPAR (yen)	76,376	70,055	60,160	52,953	54,220	19,490	41,112	39,037	50,767	77,244	68,548	-	-	-	RevPAR (yen)	20,549	18,694	19,313	16,063	14,012	3,538	3,752	8,231	15,134	32,016	23,656	-	-	-
Sales (millions of yen)	39	35	31	28	31	10	17	22	26	42	35	-	-	-	Sales (millions of yen)	78	67	62	64	63	17	14	34	76	117	95	-	-	-
KAI Kinugawa	2019		2020										Accumulated total	Year to year comparison	KAI Kaga	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.				Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	79.3%	82.3%	72.6%	68.8%	71.1%	16.7%	18.6%	60.7%	93.5%	99.6%	99.9%	-	-	-	Guest room occupancy rate	97.4%	83.3%	76.3%	79.6%	74.2%	11.5%	10.0%	49.3%	97.7%	98.9%	99.6%	-	-	-
ADR (yen)	38,640	36,630	36,909	32,730	31,947	34,009	35,742	26,889	29,233	44,857	40,916	-	-	-	ADR (yen)	38,497	41,377	38,372	37,914	34,178	32,432	36,677	27,610	29,179	43,666	36,314	-	-	-
RevPAR (yen)	30,644	30,130	26,789	22,502	22,718	5,695	6,630	16,323	27,347	44,676	40,887	-	-	-	RevPAR (yen)	37,481	34,453	29,258	30,179	25,358	3,716	3,681	13,599	28,513	43,196	36,163	-	-	-
Sales (millions of yen)	83	80	75	63	67	15	13	49	87	119	104	-	-	-	Sales (millions of yen)	115	106	90	97	81	11	8	40	94	120	102	-	-	-
															(Note2)														
KAI Alps	2019		2020										Accumulated total	Year to year comparison	Iriomote Hotel	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.				Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	58.1%	65.8%	68.8%	59.3%	51.3%	16.7%	18.1%	31.9%	82.9%	99.3%	99.7%	-	-	-	Guest room occupancy rate	44.0%	37.1%	32.7%	45.1%	51.1%	17.4%	-	-	39.7%	31.8%	31.6%	-	-	-
ADR (yen)	26,413	34,344	31,881	26,113	20,344	16,878	26,100	24,419	25,596	42,630	33,363	-	-	-	ADR (yen)	18,033	23,765	22,616	17,843	21,373	15,672	-	-	34,206	45,849	29,921	-	-	-
RevPAR (yen)	15,352	22,581	21,940	15,495	10,431	2,813	4,732	7,800	21,210	42,315	33,247	-	-	-	RevPAR (yen)	7,931	8,816	7,401	8,040	10,932	2,719	-	-	13,582	14,577	9,450	-	-	-
Sales (millions of yen)	50	54	67	49	42	10	13	27	73	120	97	-	-	-	Sales (millions of yen)	62	60	51	53	70	11	0	0	76	85	52	-	-	-

See page 15 for notes regarding this page.

Operational results for each property (6)

Hoshino Resorts REIT, Inc.

(Note1)

the b akasaka	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	90.2%	83.1%	69.9%	50.9%	20.9%	8.6%	-	-	-	-	28.7%	-	-	-
ADR (yen)	10,461	9,375	8,760	8,929	8,455	7,376	-	-	-	-	3,927	-	-	-
RevPAR (yen)	9,437	7,792	6,126	4,542	1,771	635	82	59	8	-	1,127	-	-	-
Sales (millions of yen)	49	42	33	23	10	4	2	3	2	2	5	-	-	-

the b sangenjaya	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	88.5%	88.7%	83.4%	79.3%	65.7%	48.3%	40.0%	60.9%	67.3%	57.4%	58.8%	-	-	-
ADR (yen)	12,169	11,270	10,371	11,193	8,350	5,436	5,349	5,324	5,720	6,095	6,810	-	-	-
RevPAR (yen)	10,773	9,995	8,653	8,881	5,487	2,625	2,140	3,242	3,851	3,501	4,001	-	-	-
Sales (millions of yen)	41	39	34	33	22	10	10	13	16	14	15	-	-	-

the b nagoya	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	92.9%	89.2%	87.9%	57.4%	23.3%	11.3%	12.9%	22.3%	33.9%	26.0%	36.3%	-	-	-
ADR (yen)	7,913	7,174	6,683	7,952	5,077	4,588	3,911	4,441	4,626	4,778	4,773	-	-	-
RevPAR (yen)	7,354	6,400	5,873	4,565	1,185	518	502	989	1,566	1,243	1,730	-	-	-
Sales (millions of yen)	55	49	46	34	12	7	8	11	15	13	16	-	-	-

the b kobe	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	90.6%	86.9%	77.5%	75.3%	36.3%	13.0%	16.5%	27.0%	29.4%	27.9%	46.4%	-	-	-
ADR (yen)	11,142	9,786	8,333	7,891	6,447	5,350	5,282	6,081	6,916	6,943	6,765	-	-	-
RevPAR (yen)	10,094	8,504	6,455	5,939	2,338	693	873	1,641	2,031	1,939	3,140	-	-	-
Sales (millions of yen)	63	57	46	40	22	13	15	18	21	19	26	-	-	-

(Note2)

hotel androoms Osaka Hommachi	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	78.0%	75.6%	69.4%	61.3%	15.5%	1.6%	-	2.9%	5.6%	7.3%	7.7%	-	-	-
ADR (yen)	9,436	8,784	8,233	7,507	7,794	6,864	-	7,437	9,218	7,333	7,985	-	-	-
RevPAR (yen)	7,362	6,643	5,716	4,599	1,210	111	-	214	519	532	617	-	-	-
Sales (millions of yen)	25	23	20	15	4	0	0	0	2	2	2	-	-	-

(Note3)

Sol Vita Hotel Naha	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	-	-	63.3%	74.6%	33.7%	8.7%	0.5%	23.4%	31.6%	10.0%	18.1%	-	-	-
ADR (yen)	-	-	8,470	9,466	7,499	7,019	9,164	5,972	6,653	7,109	6,755	-	-	-
RevPAR (yen)	-	-	5,363	7,059	2,524	610	42	1,398	2,103	710	1,222	-	-	-
Sales (millions of yen)	-	-	37	45	17	4	0	9	14	5	8	-	-	-

Status of portfolio (As of November 2, 2020(planned))

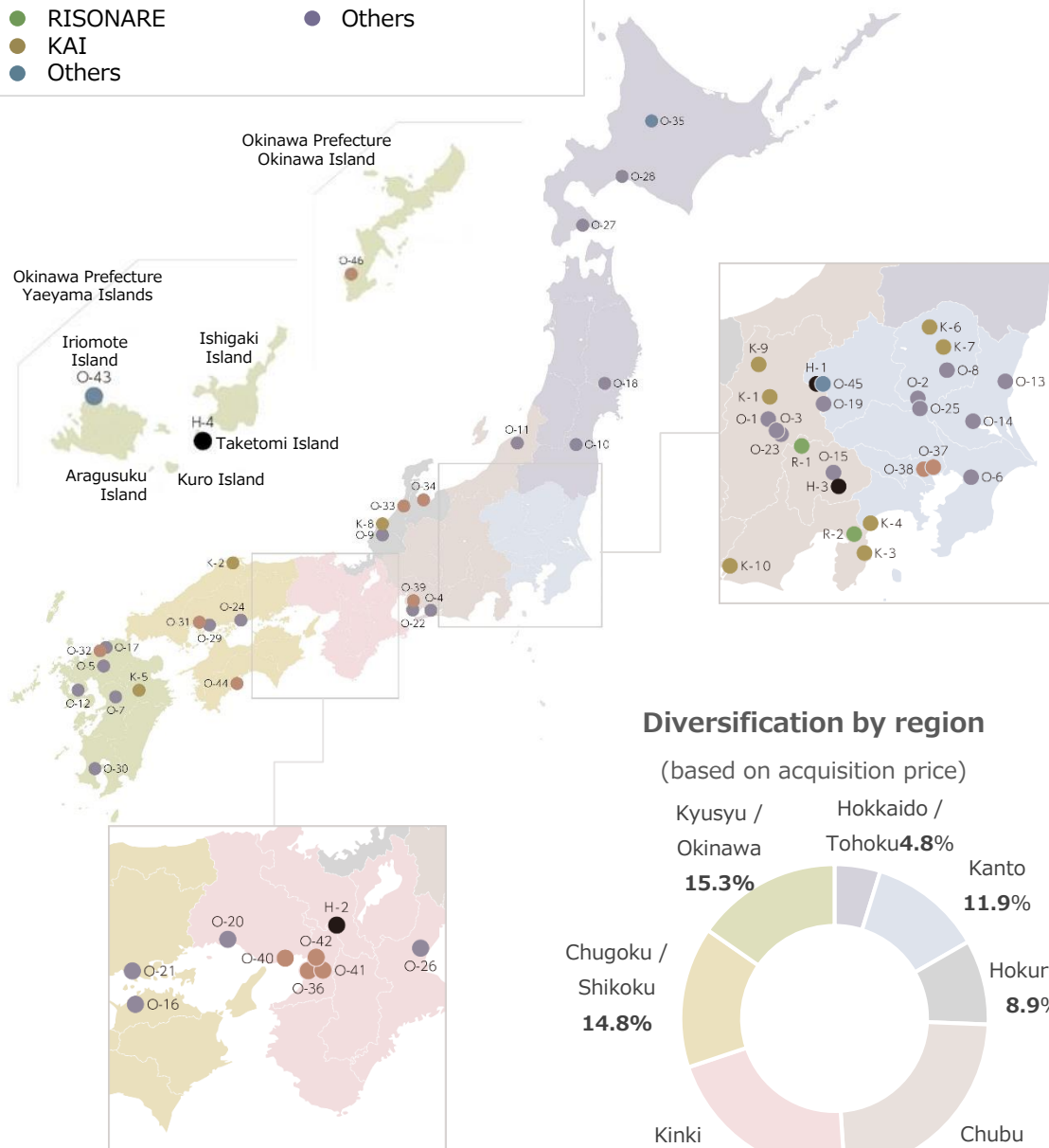
Hoshino Resorts REIT, Inc.

Properties operated by the Hoshino Resorts

- HOSHINOYA
- RISONARE
- KAI
- Others

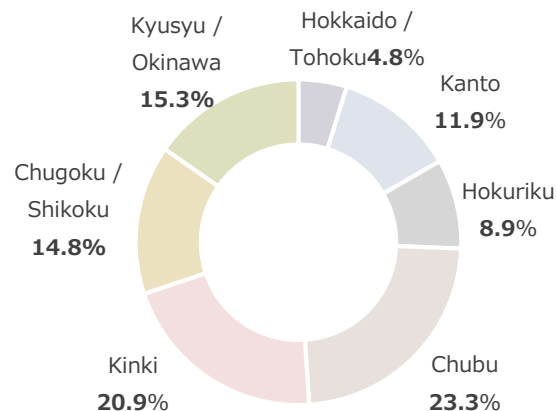
Properties operated by outside operators

- Urban tourism
- Others



Diversification by region

(based on acquisition price)



Category	Property No.	Property name
<Properties operated by the Hoshino Resorts>		
HOSHINOYA	H-1	HOSHINOYA Karuizawa
	H-2	HOSHINOYA Kyoto
	H-3	HOSHINOYA Fuji
	H-4	HOSHINOYA Taketomi Island
RISONARE	R-1	RISONARE Yatsugatake
	R-2	RISONARE Atami
KAI	K-1	KAI Matsumoto
	K-2	KAI Izumo
	K-3	KAI Ito
	K-4	KAI Hakone
	K-5	KAI Aso
	K-6	KAI Kawaji
	K-7	KAI Kinugawa
	K-8	KAI Kaga
	K-9	KAI Alps
	K-10	KAI Enshu
Others	O-35	OMO7 Asahikawa
	O-43	Iriomote Hotel
	O-45	BEB5 Karuizawa
<Properties operated by outside operators>		
Urban tourism	O-31	ANA Crowne Plaza Hiroshima
	O-32	ANA Crowne Plaza Fukuoka
	O-33	ANA Crowne Plaza Kanazawa
	O-34	ANA Crowne Plaza Toyama
	O-36	Hyatt Regency Osaka
	O-37	the b akasaka
	O-38	the b sangenjaya
	O-39	the b nagoya
	O-40	the b kobe
	O-41	Quintessa Hotel Osaka Shinsaibashi
	O-42	hotel androoms Osaka Hommachi
	O-44	HOTEL NIKKO KOCHI ASAHI ROYAL
	O-46	Sol Vita Hotel Naha

Category	Property No.	Property name
Others	O-1	Chisun Inn Shiojiri Kita IC
	O-2	Chisun Inn Sano Fujioka IC
	O-3	Chisun Inn Suwa IC
	O-4	Chisun Inn Toyokawa IC
	O-5	Chisun Inn Tosu
	O-6	Chisun Inn Chiba Hamano R16
	O-7	Chisun Inn Kumamoto Miyukifueda
	O-8	Chisun Inn Utsunomiya Kanuma
	O-9	Chisun Inn Fukui
	O-10	Chisun Inn Fukushima Nishi IC
	O-11	Chisun Inn Niigata Chuo IC
	O-12	Chisun Inn Nagasaki Airport
	O-13	Chisun Inn Hitachinaka
	O-14	Chisun Inn Tsuchiura Ami
	O-15	Chisun Inn Kofu Isawa
	O-16	Chisun Inn Marugame Zentsuji
	O-17	Chisun Inn Munakata
	O-18	Chisun Inn Iwate Ichinoseki IC
	O-19	Chisun Inn Karuizawa
	O-20	Chisun Inn Himeji Yumesakibashi
Others	O-21	Chisun Inn Kurashiki Mizushima
	O-22	Candeo Hotels Handa
	O-23	Candeo Hotels Chino
	O-24	Candeo Hotels Fukuyama
	O-25	Candeo Hotels Sano
	O-26	Candeo Hotels Kameyama
	O-27	Comfort Hotel Hakodate
	O-28	Comfort Hotel Tomakomai
	O-29	Comfort Hotel Kure
	O-30	Chisun Inn Kagoshima Taniyama

P1

(Note 1) Hoshino Resorts Co., Ltd., its parent company and its subsidiaries are collectively referred to as “Hoshino Resorts”. The same applies hereinafter.

(Note 2) Amounts below the specified unit are rounded down while ratios are rounded to the nearest specified unit.

(Note 3) The timing of floating rents arising and the specific calculation methods vary depending on the property. In the lease agreements with each lessee, the starting dates of floating rent are stated as May 1, 2020 (15th FP) for HOSHINOYA Fuji, November 1, 2020 (16th FP) for HOSHINOYA Taketomi Island, May 1, 2022 (19th FP) for KAI Alps, November 1, 2022 (20th FP) for Iriomote Hotel and November 1, 2024 (24th FP) for OMO7 Asahikawa. Therefore, floating rent will not arise prior to those said dates regardless of the amounts of sales or profits of the hotels, ryokans and ancillary facilities.

P2

(Note) Since split of investment units was implemented on November 1, 2016, distributions per unit for the 7th FP and before indicated are one-half of the actual amount considering the split.

P3

(Note 1) BEB5 Karuizawa opened in Feb. 2019, so the figures for Nov. 2019 to Jan. 2020 are “-” as there is no corresponding data for the previous year.

(Note 2) Throughout this document, “Roadside” refers to the 22 Chisun Inn budget hotels (hotels focused on economy and overnight stay) operated by the Solare Group.

P4

(Note) Chubu region comprises Niigata, Gifu, Nagano, Yamanashi, Shizuoka, Aichi and Mie Prefectures. Kanto region comprises Tokyo Metropolis and Kanagawa, Chiba, Saitama, Gunma, Tochigi and Ibaraki Prefectures. Kinki region comprises Osaka, Kyoto, Hyogo, Nara, Wakayama and Shiga Prefectures.

P8

(Note 1) Hereinafter, main monthly indicator figures are based on figures supplied by tenants.

(Note 2) Guestroom occupancy rates are rounded to the second decimal place. Hereinafter, ADR and RevPAR figures are rounded down to the nearest unit and net sales figures are rounded down to the nearest million yen.

(Note 3) Operational results for October 2020 have not been stated because they are pending.

(Note 4) Accumulated totals and year-to-year comparisons for October 2020 have not been stated because they are pending.

(Note 5) Guest room occupancy rate, ADR and RevPAR results of HOSHINOYA Taketomi Island from May 2020 to June 2020 do not exist, because this property has been temporarily closed due to the impact of COVID-19 pandemic.

P9

(Note) Guest room occupancy rate, ADR and RevPAR results of OMO7 Asahikawa from May. 2020 to June. 2020 do not exist, because this property has been temporarily closed due to the impact of COVID-19 pandemic.

P10

(Note) As for BEB5 Karuizawa, the Investment Corporation acquired this property in January. 2020, so no figures are listed for dates before the acquisition date.

P12

(Note 1) Guest room occupancy rate, ADR and RevPAR results of KAI Izumo in June. 2020 do not exist, because this property has been temporarily closed to conduct large-scale repair work.

(Note 2) Guest room occupancy rate, ADR and RevPAR results of Iriomote Hotel from May. 2020 to June. 2020 do not exist, because this property has been temporarily closed due to the impact of COVID-19 pandemic.

P13

(Note 1) Guest room occupancy rate and ADR results of the b akasaka from May. 2020 to July. 2020 do not exist, because this property has been temporarily closed from May. 2020 to August. 2020, due to the impact of COVID-19 pandemic. In addition, Guest room occupancy rate, ADR and RevPAR results in August. 2020 do not exist.

(Note 2) Guest room occupancy rate, ADR and RevPAR results of hotel androoms Osaka Hommachi in May. 2020 do not exist, because this property has been temporarily closed due to the impact of COVID-19 pandemic.

(Note 3) As for Sol Vita Hotel Naha, the Investment Corporation acquired this property in January. 2020, so no figures are listed for dates before the acquisition date.

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