

April 28, 2023

For immediate release

REIT Securities Issuer
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(Code: 3287)

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Notice Concerning Borrowing of Funds

Hoshino Resorts REIT Inc. (hereinafter referred to as "HRR") announces the resolution made at its Board of Directors' Meeting held on April 28, 2023 to conduct borrowing of funds (hereinafter acquiring the "Loan") as follows.

1. Details of Loan (planned)

Lender	Planned Loan amount	Interest rate	Final repayment date	Repayment method
A Loan Syndicate with MUFG Bank Ltd. (as the arranger)	5,740 million yen	To be determined	To be determined	Lump-sum repayment at maturity

(Note 1) The above table is based on the Notice of Results of the Loan Consideration issued by MUFG Bank, Ltd. with respect to the Loan; however, actual details may differ from the above. Additionally, there is no guarantee that the Loan will be implemented. "Lender(s)" and items to be determined will be announced as soon as they are finalized.

(Note 2) As of today, the drawdown date is scheduled to be June 1, 2023; however, this may be changed upon agreement between HRR and the lender.

(Note 3) As stated in the "Notice Concerning Acquisition of Trust Beneficiary Rights in Domestic Real Estate (The b asakusa)" publicized today, HRR plans to acquire "The b asakusa" (hereinafter referred to as "Assets to be Acquired") primarily with funds procured from the Loan; however, as of today, the Loan Syndicate with MUFG Bank, Ltd. is examining the terms and conditions of the Loan as the arranger. Depending on the result of the examination by said Loan Syndicate, it is possible that the Loan may not be executed in full or in part. Taking such circumstances into account, in the event the Loan is not made in full or in part and that the total amount of funds from the Loan is thereby short of the above planned amount, HRR plans to borrow the shortage from MUFG Bank, Ltd. (hereinafter referred to as the "Backup Loan.") However, since the Backup Loan will be made only if the total amount of the Loan is less than the above planned loan amount, the execution of the Backup Loan is not confirmed.

< Details of the Backup Loan >

Lender	Maximum loan amount	Interest rate	Final repayment date	Repayment method
MUFG Bank Ltd.	5,740 million yen	Base rate (*) + 0.360%	May 31, 2024	Lump-sum repayment at maturity

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

2. Reasons for the Loan

The Loan will be made in order to appropriate the acquisition cost (planned acquisition price) of 5,630 million yen and part of related expense including consumption tax and local consumption tax. The same applies hereinafter. For the acquisition of the "Assets to Be Acquired", announced today in the "Notice Concerning Acquisition of Trust Beneficiary Rights in Domestic Real Estate (the b asakusa)."

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

(1) Amount of Funds to be Procured

5,740,000,000 yen (scheduled)

(2) Specific Use of Funds to be Procured

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

(3) Timing of Expenditure

June 1, 2023 (scheduled)

4. Status of Borrowings, etc. Before and After Executing the Loan

Since the details of the terms and conditions concerning the Loan are pending as of today, they will be announced as soon as determined.

5. Other Matters Necessary for Investors to Appropriately Understand and Assess the Provided Information

There is no change to the "Investment Risks" description in the Securities Report filed on January 24, 2023 with respect to the risks associated with the Loan.

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

*** We do not provide any guarantees regarding the completeness or accuracy of the English translation of this document. If there is any discrepancy between the English translation and the original Japanese text, the latter shall prevail.**