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For immediate release

REIT Securities Issuer
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Notice Concerning the Borrowings of Funds (Green Loans and Other Loans)

Hoshino Resorts REIT, Inc. (hereinafter referred to as "HRR") announces the resolution made at its Board of Directors' meeting held today to conduct borrowings (hereinafter the "Borrowings") as follows.
Of the funds to be procured through the Borrowings, the portion to be financed by Mizuho Bank, Ltd. corresponds to funds that the bank has determined are eligible for the "Fund-Supplying Operations to Support Financing for Climate Change Responses (Climate Response Financing Operations)" conducted by the Bank of Japan for private financial institutions (Note).

HRR will continue to further promote sustainability initiatives and aim to strengthen its funding base by expanding the number of investors interested in ESG investment and financing.

Note : For details of the Climate Response Financing Operations, please see below.
Mizuho Financial Group, Inc. website:
https://www.mizuho-fg.co.jp/csr/environment/business/financing.html#climate_change

1. Details of the Borrowings (scheduled)

Contract No. (Note 1)	Lender(s) (Note 2)	Planned borrowing amount (Millions of yen) (Note 3)	Interest rate (Note 2)	Final repayment date (Note 2)	Repayment method (Note 2)
0131-A	MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation	1,900	Base interest rate +0.26986% (Note 4) (Note 5)	October 29, 2027 (Note 6)	Lump-sum repayment at maturity
0131-B **(Green Loan)**	Mizuho Bank, Ltd.	100	Base interest rate +0.21986% (Note 4) (Note 5)		

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Contract No. (Note 1)	Lender(s) (Note 2)	Planned borrowing amount (Millions of yen) (Note 3)	Interest rate (Note 2)	Final repayment date (Note 2)	Repayment method (Note 2)
0132-A **(Green Loan)**	MUFG Bank, Ltd.	200	To be determined (fixed interest rate) (Note 7)	April 27, 2029 (Note 6)	Lump-sum repayment at maturity
0132-B **(Green Loan)**	Mizuho Bank, Ltd.	300	Base interest rate +0.37145% (Note 4) (Note 5)		
0132-C	Sumitomo Mitsui Banking Corporation The Ashikaga Bank, Ltd. The Yamaguchi Bank, Ltd. Resona Bank, Limited The Senshu Ikeda Bank, Ltd.	950	Base interest rate +0.42145% (Note 4) (Note 5)		
0133-A **(Green Loan)**	MUFG Bank, Ltd.	900	To be determined (fixed interest rate) (Note 7)	October 31, 2029 (Note 6)	
0133-B **(Green Loan)**	Mizuho Bank, Ltd.	300	Base interest rate +0.40514% (Note 4) (Note 5)		
0133-C	Development Bank of Japan Inc.	300	1.10514%		
0134-A **(Green Loan)**	MUFG Bank, Ltd.	700	To be determined (fixed interest rate) (Note 7)	April 30, 2030 (Note 6)	
0134-B	Sumitomo Mitsui Banking Corporation	800	Base interest rate +0.48669% (Note 4) (Note 5)		
0135-A **(Green Loan)**	MUFG Bank, Ltd.	800	To be determined (fixed interest rate) (Note 7)	October 31, 2030 (Note 6)	
0135-B	Development Bank of Japan Inc.	600	1.28463%		
0135-C **(Green Loan)**	Mizuho Bank, Ltd.	650	Base interest rate +0.50463% (Note 4) (Note 5)		
0135-D	Sumitomo Mitsui Banking Corporation Resona Bank, Limited	1,000	Base interest rate +0.55463% (Note 4) (Note 5)		
0136-A **(Green Loan)**	MUFG Bank, Ltd.	500	To be determined (fixed interest rate) (Note 7)	October 31, 2031 (Note 6)	
0136-B	Sumitomo Mitsui Banking Corporation	1,200	Base interest rate +0.60830% (Note 4) (Note 5)		
0137-A **(Green Loan)**	MUFG Bank, Ltd.	100	To be determined (fixed interest rate) (Note 7)	June 6, 2033 (Note 6)	

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Contract No. (Note 1)	Lender(s) (Note 2)	Planned borrowing amount (Millions of yen) (Note 3)	Interest rate (Note 2)	Final repayment date (Note 2)	Repayment method (Note 2)
0137-B **(Green Loan)**	Development Bank of Japan Inc.	100	1.65600%	June 6, 2033 (Note 6)	Lump-sum repayment at maturity
0137-C **(Green Loan)**	Mizuho Bank, Ltd.	100	To be determined (fixed interest rate) (Note 7)		
0137-D **(Green Loan)**	Sumitomo Mitsui Banking Corporation Resona Bank, Limited	200	Base interest rate +0.73600% (Note 4) (Note 5)		

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

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 Primary Offering and the Third-party Allotment (meaning the Primary Offering and the Third-party Allotment of the Investment Units resolved at the meeting of HRR’s Board of Directors held on May 24, 2024 as stated in the “Notice Concerning Issuance of New Investment Units (Green Equity Offering) and Secondary Offering of Investment Units” separately announced as of today; the same shall apply hereinafter). The actual loan amount shall be determined based on the loan agreement to be concluded after determination of the issue value of the Primary Offering and the Third-Party Allotment, therefore it may change depending on the total issue value of the Primary Offering and the total issue value of the Third-Party Allotment, etc. The same shall apply hereinafter.

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 the said date does not fall on a business day, it will be changed to the next business day. If the said 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 June 6, 2024, but may be changed upon agreement between HRR and the lender(s).

Note 7: The fixed interest rate is scheduled to be decided on June 4, 2024 and will be announced as soon as they are determined.

Note 8: If the total amount of the proceeds from the Primary Offering and each of the above loans is less than the acquisition funds of the asset 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 Primary Offering and each of the above loans is less than the acquisition fund of the asset to be acquired and related expenses, the loan is not guaranteed.

Contract No.	Lender(s)	Planned borrowing limit (Millions of yen)	Scheduled borrowing date	Interest rate	Final repayment date	Repayment method
0138	MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation	1,800	June 6, 2024	Base interest rate +0.30000% (*)	June 6, 2025	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’s 1-month Japanese Yen TIBOR, but such schedule is current as of today and is subject to change.

2. Purpose of the Borrowings

The Borrowings will be made in order to appropriate them to part of the acquisition cost (planned acquisition price) of 29,000 million yen and related expenses (consumption tax and local consumption tax are included; the same shall apply hereinafter) for "OMO7 Osaka" (Hereinafter referred to as the "Asset to be Acquired") in the "Notice Concerning the Acquisition and Lease of Domestic Real Estate Trust Beneficiary Right (OMO7 Osaka)" announced today.

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

(1) Amount of funds to be procured

11.7 billion yen (scheduled) (Note)

(Note) The above amount is the total scheduled amount of the Borrowings excluding the Backup Loan. Therefore, if the Backup Loan is fully executed, the amount of funds to be procured will be 13.5 billion yen (scheduled).

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(2) Specific Use of Funds to be Procured
Funds will be appropriated to part of the acquisition cost and related expenses for the Asset to be Acquired.

(3) Timing of Expenditure
June 6, 2024 (scheduled)

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

(Unit: millions of yen)

	Before executing the Borrowings	After executing the Borrowings	Variance
Short-term borrowings (Note 1)	-	-	-
Long-term borrowings (Note 1)	80,468	92,168	11,700
Total borrowings	80,468	92,168	11,700
(Sustainability Loans)	1,060	1,060	-
(Green loans)	20,950	25,900	4,950
(Blue Loan)	50	50	-
Investment corporation bonds	3,800	3,800	-
(Sustainability bonds)	-	-	-
(Green bonds)	2,300	2,300	-
Total borrowings and investment corporation bonds	84,268	95,968	11,700
(Sustainability finance)	1,060	1,060	-
(Green finance)	23,250	28,200	4,950
(Blue finance)	50	50	-

Note 1: Short-term borrowings refer to loans with original maturities of one year or less, and long-term borrowings refer to loans with original maturities of more than one year.
Note 2: Amounts less than the unit are rounded down.
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 Primary Offering and the Third-Party Allotment calculated based on the closing price of ordinary transactions on the Tokyo Stock Exchange, Inc. as of May 14, 2024 (Tuesday). The actual loan amount shall be determined by the loan agreement to be concluded after determination of the Issue Value in the Primary Offering and the Third-Party Allotment, therefore it may change depending on the total Issue Value in the Primary 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 borrowings.

5. 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 Registration Statement filed today with respect to the risks involved in the Borrowings.

* 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.*

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