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For immediate release

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Notice Concerning the Borrowings of Funds (Refinancing by Green Loans and Others)

Hoshino Resorts REIT, Inc. (hereinafter "HRR") announces that it resolved, at the Board of Directors' Meeting held today, to borrow funds (herein after the "Borrowings") for the purpose of refinancing existing borrowings (hereinafter the "Refinancing"), as follows.

The Borrowings include a loan (green loan) made in accordance with the Green Finance Framework established by HRR (hereinafter the "Green Loan").

Of the funds to be procured through the Borrowings, the portion to be financed by Mizuho Bank, Ltd. corresponds to funds that the said bank has determined to be 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 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

Contract No.	Lender	Planned borrowing amount (Millions of yen)	Interest rate (Note 2)	Contract date (scheduled)	Borrowing date	Final repayment date (Note 2)	Repayment method/Collateral
0130-A	MUFG Bank, Ltd.	500	To be determined (Fixed interest rate) (Note 3)	May 27, 2024	May 31, 2024	October 31, 2031	Lump-sum repayment at maturity / Unsecured loan unguaranteed
0130-B **(Green Loan)** (Note 1)	Mizuho Bank, Ltd.	450	To be determined (Fixed interest rate) (Note 3)				

(Note 1) Please refer to "2. Reasons for the Refinancing and Outline of the Green Loan" below.
(Note 2) Interest payments are first due on the last day of July 2024, and then on the last day of every three months thereafter and the final repayment date. If the interest payment date or the final repayment date is not a business day, it shall be the following business day, and if such date falls in the following month, it shall be the business day immediately preceding it.
(Note 3) The fixed interest rate is scheduled to be determined on May 29, 2024, and will be announced once determined.

Disclaimer: This press release has been prepared for the purpose of publicly announcing the borrowings of funds (refinancing by green loans and others) by HRR. and has not been prepared for the purpose of soliciting investments within or outside Japan. 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.

2. Reasons for the Refinancing and Outline of the Green Loan

(1) Reasons for the Refinancing

Upon the maturity of the existing borrowings, we will procure funds to finance repayment of the principal.

For an overview of the existing borrowings. Please refer to "3. Amount, Use and Timing of Expenditure of Funds to Be Procured" for an overview of the existing borrowings.

(2) Outline of the Green Loan

The entire amount of the Green Loan will be used to refinance the borrowings associated with the initial acquisition of "Hotel Vista Matsuyama", a property that meets the criteria for eligible green properties under the Green Finance Framework established by HRR.

For details of the Green Finance Framework, please refer to the "Sustainability Finance" page on HRR's website.

https://www.hoshinoresorts-reit.com/ja/sustainability/finance.html

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

(1) Amount of funds to be procured

950,000,000 yen (scheduled)

(2) Specific use of funds to be procured

The entire amount of the Borrowings will be used to repay the principal of the existing borrowing. The existing borrowing to be refinanced is as follows.

Contract No.	Lender	Planned borrowing amount (Millions of yen)	Interest rate	Contract date	Borrowing date	Final repayment date	Repayment method/ Collateral
0110	MUFG Bank, Ltd.	1,950 (Note 1)	Base interest +0.300% (Floating rate) (Note 2)	May 29, 2023	June 1, 2023	May 31, 2024	Lump-sum Repayment at maturity / unsecured loan unguaranteed

(Note 1) Partial prepayment was made on September 28, 2023, and the remaining principal balance as of today is 950 million yen.

(Note 2) "Base interest rate" shall be the 3-month Japanese Yen TIBOR announced by the JBA TIBOR Administration at a prescribed time two business days prior to the immediately preceding interest payment date (or the borrowing date for the first interest payment) for each interest payment date. However, if there is no corresponding rate for the period, the base interest rate shall be calculated based on the method specified in the agreement. The JBA Japanese Yen TIBOR can be found on the JBA TIBOR Administration website (https://www.jbatibor.or.jp/english/).

(3) Timing of expenditure

May 31, 2024 (scheduled)

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4. Status of borrowings, etc. before and after the Borrowings (scheduled)

(millions of yen)

	Prior to the Borrowings	After the Borrowings	Change
Short-term borrowings (Note 1)	—	—	—
Long-term borrowings (Note 1)	80,468	80,468	—
Total borrowings	80,468	80,468	—
(Sustainability Loans)	1,060	1,060	—
(Green Loans)	20,500	20,950	450
(Blue Loans)	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	84,268	—
(Sustainability Finance)	1,060	1,060	—
(Green Finance)	22,800	23,250	450
(Blue Finance)	50	50	—

(Note 1) Short-term borrowings refer to borrowings with a borrowing period of one year or less, and long-term borrowings refer to borrowings with a borrowing period of more than one year.
(Note 2) Amounts are 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 "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/

** 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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