June 3, 2024

For immediate release

REIT Securities Issuer
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Notice Concerning the Borrowings of Funds (Determination of Terms, etc.) and Interest Rate Swap Transactions

Hoshino Resorts REIT, Inc. (hereinafter referred to as "HRR") announces that the terms, etc., have been determined for the borrowings of funds (hereinafter referred to as the "Borrowings") announced in "Notice Concerning the Borrowings of Funds (Green Loans and Other Loans)" dated May 24, 2024 and also that it resolved at the Board of Directors' Meeting held today to execute the interest rate swap transactions (hereinafter referred to as the "Interest Rate Swap Transactions").
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.mizuhogroup.com/sustainability/environment/business/financing

1. Details of the Borrowings

Contract No.	Lender(s)	Borrowing amount (Millions of yen)	Interest rate	Final Repayment Date (Note 1)	Contract Date (Scheduled)	Borrowing Date	Repayment Method / Collateral
0131-A	MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation	1,900	Base interest rate +0.26986% (Note 2) (Note 3)	October 29, 2027	June 3, 2024	June 6, 2024	Lump-sum repayment at maturity / Unsecured loan unguaranteed
0131-B **(Green Loan)**	Mizuho Bank, Ltd.	100	Base interest rate +0.21986% (Note 2) (Note 3)				

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Contract No.	Lender(s)	Borrowing amount (Millions of yen)	Interest rate	Final Repayment Date (Note 1)	Contract Date (Scheduled)	Borrowing Date	Repayment Method / Collateral
0132-A **(Green Loan)**	MUFG Bank, Ltd.	200	To be determined (fixed interest rate) (Note 4)	April 27, 2029	June 3, 2024	June 6, 2024	Lump-sum repayment at maturity / Unsecured loan unguaranteed
0132-B **(Green Loan)**	Mizuho Bank, Ltd.	300	Base interest rate +0.37145% (Note 2) (Note 3)				
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 2) (Note 3)				
0133-A **(Green Loan)**	MUFG Bank, Ltd.	900	To be determined (fixed interest rate) (Note 4)	October 31, 2029			
0133-B **(Green Loan)**	Mizuho Bank, Ltd.	300	Base interest rate +0.40514% (Note 2) (Note 3)				
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 4)	April 30, 2030			
0134-B	Sumitomo Mitsui Banking Corporation	800	Base interest rate +0.48669% (Note 2) (Note 3)				
0135-A **(Green Loan)**	MUFG Bank, Ltd.	800	To be determined (fixed interest rate) (Note 4)	October 31, 2030			
0135-B	Development Bank of Japan Inc.	600	1.28463%				
0135-C **(Green Loan)**	Mizuho Bank, Ltd.	650	Base interest rate +0.50463% (Note 2) (Note 3)				
0135-D	Sumitomo Mitsui Banking Corporation Resona Bank, Limited	1000	Base interest rate +0.55463% (Note 2) (Note 3)				

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Contract No.	Lender(s)	Borrowing amount (Millions of yen)	Interest rate	Final Repayment Date (Note 1)	Contract Date (Scheduled)	Borrowing Date	Repayment Method / Collateral
0136-A **(Green Loan)**	MUFG Bank, Ltd.	500	To be determined (fixed interest rate) (Note 4)	October 31, 2031	June 3, 2024	June 6, 2024	Lump-sum repayment at maturity / Unsecured loan unguaranteed
0136-B	Sumitomo Mitsui Banking Corporation	1,200	Base interest rate +0.60830% (Note 2) (Note 3)				
0137-A **(Green Loan)**	MUFG Bank, Ltd.	100	To be determined (fixed interest rate) (Note 4)	June 6, 2033			
0137-B **(Green Loan)**	Development Bank of Japan Inc.	100	1.65600%				
0137-C **(Green Loan)**	Mizuho Bank, Ltd.	100	To be determined (fixed interest rate) (Note 4)				
0137-D **(Green Loan)**	Sumitomo Mitsui Banking Corporation Resona Bank, Limited	200	Base interest rate +0.73600% (Note 2) (Note 3)				

Note 1: Interest payments are due commencing on July 31, 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 does not fall on a business day, it will be postponed to the next business day. If such date falls in the following month, it will be the immediately preceding business day.

Note 2: The "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 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/).

Note 3: The interest rate (annual rate) will be substantively fixed through the interest rate swap agreements. For details, please refer to "4. Interest Rate Swap Transactions" below.

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

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2. Purpose of the Borrowings

The Borrowings will be made in order to appropriate them to part of the acquisition funds (planned acquisition price) of 29,000 million yen and related expenses (including consumption tax and local consumption tax; 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 on May 24, 2024.

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

(1) Amount of funds to be procured

11,700,000,000 yen (scheduled)

(2) Specific Use of Funds to be Procured

Funds will be appropriated to part of the acquisition funds and related expenses for the Asset to be Acquired.

(3) Timing of Expenditure

June 6, 2024 (scheduled)

4. Interest Rate Swap Transactions

(1) Reasons for Conducting the Interest Rate Swap Transactions

This is to hedge the risk of interest rate increases by fixing the interest rate payable for the Borrowings. Depending on the terms of the fixed interest rate payable to be determined on June 4, 2024, such interest rate swap transactions may not be conducted.

(2) Details of the Interest Rate Swap Transactions

Contract number of the Borrowings	Counterparty (Note 1)	Notional principal (Millions of yen)	Interest rate		Commencement date	Termination date
			Fixed interest rate payable (Note 1)	Floating interest rate receivable		
0131-A	To be determined	1,900	To be determined	Base interest rate (JBA 3-month Japanese Yen TIBOR)	June 6, 2024	October 29, 2027
0131-B	To be determined	100	To be determined			
0132-B	To be determined	300	To be determined			April 27, 2029
0132-C	To be determined	950	To be determined			
0133-B	To be determined	300	To be determined			October 31, 2029
0134-B	To be determined	800	To be determined			April 30, 2030
0135-C	To be determined	650	To be determined			October 31, 2030
0135-D	To be determined	1,000	To be determined			October 31, 2030
0136-B	To be determined	1,200	To be determined			October 31, 2031
0137-D	To be determined	200	To be determined			June 6, 2033

Note1: The counterparties and the fixed interest rates payable will be determined on June 4, 2024 and will be announced as soon as they are determined.

Note2: First payment date on July 31, 2024, with subsequent payments on the last day of every three months thereafter and on the termination date.

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5. Status of Borrowings, etc. Before and After the Execution of the Borrowings

(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.

6. 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 on May 24, 2024 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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