

December 16, 2024

For immediate release

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Notice Concerning Borrowing of Funds

Hoshino Resorts REIT Inc. (hereinafter “HRR”) announces that it has decided to borrow funds (hereinafter the “Borrowing”) at its Board of Directors’ meeting held today as follows:

1. Details of the Borrowing (planned)

Lender	Planned borrowing amount	Interest rate	Final repayment date	Repayment method
A Loan Syndicate with MUFG Bank Ltd. as the arranger	3,150 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 Borrowing; 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 January 8, 2025; however, this may be changed upon agreement between HRR and the lender.

(Note 3) As stated in the “Notice Concerning Acquisition of Domestic Real Estate (KAI Poroto)” released today, HRR plans to acquire “KAI Poroto” (hereinafter “Asset to Be Acquired”) primarily with funds procured through the Borrowing. 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. Taking such circumstances into account, in the event that the total amount of funds from the Loan is short of the above planned amount, HRR plans to borrow the entire planned borrowing amount (hereinafter the “Backup Loan”) from MUFG Bank, Ltd. 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	Planned borrowing amount	Interest rate	Final repayment date	Repayment method
MUFG Bank, Ltd.	3,150 million yen	Base rate* + 0.30%	January 8, 2026	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 Borrowing

As announced in the “Notice Concerning Acquisition of Domestic Real Estate (KAI Poroto)” released today, the Borrowing will be used to cover part of the funds for 3,060 million yen (planned acquisition price) and related expenses (including consumption tax and local consumption tax; the same applies below) to acquire “KAI Poroto” (the “Asset to Be Acquired”).

3. Amount, Use and Timing of Expenditure of Funds to be Procured
 - (1) Amount of Funds to be Procured
3,150,000,000 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
January 8, 2025 (scheduled)
4. Status of Borrowings, etc. Before and After the Borrowing
Since the details of the terms and conditions concerning the Borrowing 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 July 26, 2024, with respect to the risks associated with the Borrowing.

* 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.*