

Hoshino Resorts REIT, Inc.

March 4, 2019

For Immediate Release

REIT Securities Issuer
Hoshino Resorts REIT, Inc.
Representative: Kenji Akimoto, Executive Director
(Code: 3287)

Asset Management Company
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Notice Concerning Debt Financing

Hoshino Resorts REIT, Inc. (hereinafter "HRR") announces the resolution made at its Board of Directors' Meeting held on March 4, 2019 to conduct debt financing (hereinafter the "Debt Financing") as follows.

1. Details of Debt Financing

Lenders (Note 2)	Scheduled loan amount (Note 2)	Interest rate (Note 2)	Scheduled borrowing date (Note 2)	Final repayment date (Note 2)	Repayment method (Note 2)
Syndication with MUFG Bank, Ltd. as the arranger	2.85 billion yen	Base interest rate (Note 3) +0.300%	March 29, 2019	March 27, 2020 (Note 6)	Lump-sum repayment at maturity
	3.3 billion yen	Base interest rate (Note 3) +0.734% (floating rate) (Note 4) TBD (fixed rate) (Note 5)		October 29, 2027 (Note 6)	Lump-sum repayment at maturity

(Note 1) The above details are indicated based on the description in the notification of the results of consideration concerning loan (hereinafter the "statement of interest in loan") issued by financial institutions. The implementation of actual borrowing is not guaranteed.

(Note 2) Lenders, scheduled loan amount, interest rate, scheduled borrowing date, final repayment date, and repayment method are indicated based on the content of the term sheet referred to in the statement of interest in loan. The actual lenders, scheduled loan amount, interest rate, scheduled borrowing date, final repayment date, and repayment method may differ from the above.

(Note 3) Base interest rate will be the 1-month Japanese Yen TIBOR announced by JBA TIBOR Administration two business days prior to each interest payment date immediately preceding the respective interest payment date (borrowing date for the first interest payment date). However, in the case the interest rate corresponding to the period does not exist, the base interest rate will be calculated using the method stipulated in the loan agreement.

For the JBA Japanese Yen TIBOR, please refer to the website of JBA TIBOR Administration (<http://www.jbatibor.or.jp/english/>).

(Note 4) With respect to floating rate loan, HRR will enter into an interest rate swap agreement with the intention to fix the interest rate.

(Note 5) HRR will make another announcement to report the fixed interest rate and the amount to which such interest rate applies when it is decided (date that interest rate is decided = 2 business days prior to borrowing date).

(Note 6) If the date falls on a non-business day, it will be the following business day; provided, however, if this subsequent business day is in the following month, the business day immediately preceding the date will be the final repayment date.

2. Purpose of Debt Financing

Debt Financing is conducted to raise funds for the acquisition (planned acquisition price: 5,850 million yen) of the assets to be acquired (hereinafter the “Assets to be Acquired”) described in “Notice Concerning Acquisition of Domestic Real Estate” separately announced today and a part of the acquisition related expenses (including consumption tax and local consumption tax).

3. Total Amount of the Loan, Use of Proceeds and Scheduled Expenditure Date

(1) Total Amount of the Loan

6,150 million yen (scheduled)

(2) Detailed Use of Proceeds

Funds will be allocated to the acquisition of the Assets to be Acquired and to a part of the acquisition related expenses.

(3) Scheduled Expenditure Date

March 29, 2019 (scheduled)

4. Status of Interest-bearing Debt before and after Debt Financing (scheduled)

(Unit: millions of yen)

	Before Debt Financing (Note 1)	After Debt Financing (Note 1)	Amount of Increase / Decrease
Short-term loans (Note 2)	–	2,850	2,850
Long-term loans (Note 2)	51,190	57,590	6,400
Total loans	51,190	60,440	9,250
Investment corporation bonds	1,500	1,500	0
Sum of borrowings and investment corporation bonds	52,690	61,940	9,250
Other interest-bearing debt	–	–	–
Total interest-bearing debt	52,690	61,940	9,250

(Note 1) Loan of 3,100 million yen to be made on March 29, 2019 described in “Notice Concerning Debt Financing” separately announced on December 14, 2018 are included in After Debt Financing above.

(Note 2) Short-term loans refer to loans with a borrowing period of one year or less, and long-term loans refer to loans with a borrowing period over one year.

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

There is no change to the content of “Risks in Investment” set forth in HRR’s Securities Report submitted on January 30, 2019 with respect to the risks of the Debt Financing.

* Hoshino Resorts REIT, Inc. website address: <http://www.hoshinoresorts-reit.net/>