

October 26, 2017

For Immediate Release

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

Asset Management Company
 Hoshino Resort Asset Management Co., Ltd.
 Representative: Kenji Akimoto, President & CEO
 Contact: Tetsuro Takashi, Director & CFO,
 and General Manager of Finance &
 Administration Department
 TEL: +81-3-5159-6338

Notice Concerning Debt Financing (Refinancing)

Hoshino Resorts REIT, Inc. (hereinafter “HRR”) announces the resolution made at its Board of Directors’ Meeting held on October 26, 2017 to conduct debt financing (hereinafter the “Debt Financing”) with an aim to refinance existing borrowings (hereinafter the “Refinancing”) as follows.

1. Details of Debt Financing

Contract No. 0034

1) Lenders	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation
2) Amount of the Loan	1,500,000,000 yen
3) Interest Rate	Base interest rate (JBA 1-month Japanese Yen Tibor) (Note 1) +0.400% (floating rate)
4) Scheduled Borrowing Date	October 31, 2017
5) Method of Borrowing	Concluded individual loan agreements on October 27, 2017 with the above lenders
6) Final Repayment Date	October 31, 2018 (Note 2)
7) Repayment Method	Lump-sum repayment at maturity
8) Interest Payment Date	First payment on November 30, 2017 with subsequent payments on the last day of each month and on the principle repayment date (Note 2)
9) Collateral	Unsecured/Unguaranteed

(Note 1) Base interest rate will be the interest rate of the number of months corresponding to the relevant interest calculation period among the Japanese Yen TIBOR announced by JBA TIBOR Administration two business days prior to each interest payment date immediately preceding the respective interest payment date (scheduled 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/>).

(Note 2) 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 or interest payment date.

Disclaimer: This press release is a document for public announcement concerning debt financing (refinancing), and has not been prepared for the purpose of solicitation for investment. Investors are advised to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by HRR before they invest and that they make decisions on investment at their own responsibility and discretion.

2. Purpose of the Refinancing

Debt financing will be conducted in order to procure funds for repayment of principal of existing borrowings of which maturity date is arriving. For details of existing borrowings, please refer to “3. Total Amount to be Borrowed, Use of Proceeds and Scheduled Expenditure Date” below.

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

(1) Total Amount of the Loan

1,500,000,000 yen

(2) Detailed Use of Proceeds

All proceeds from the Debt Financing will be allocated for the repayment of principal of existing borrowings. The overview of existing borrowings is as follows.

Contract No. 0026

1) Lenders	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation
2) Amount of the loan	1,500,000,000 yen (Note 1)
3) Interest Rate	Base interest rate (JBA 1-month Japanese Yen Tibor) (Note 2) +0.400% (floating rate)
4) Scheduled Borrowing Date	November 1, 2016
5) Method of Borrowing	To conclude individual loan agreements on October 28, 2016 with the above lenders
6) Final Repayment Date	October 31, 2017 (Note 3)
7) Repayment Method	Lump-sum repayment at maturity
8) Interest Payment Date	First payment on November 30, 2016 with subsequent payments on the last day of each month and on the final repayment date (Note 3)
9) Collateral	Unsecured/Unguaranteed

(Note 1) The remaining total principal of existing borrowings to be paid with the Debt Financing is 1,500,000,000 yen.

(Note 2) Base interest rate will be the interest rate of the number of months corresponding to the relevant interest calculation period among the Japanese Yen TIBOR announced by JBA TIBOR Administration two business days prior to each interest payment date immediately preceding the respective interest payment date (scheduled 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.

(Note 3) 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 or interest payment date.

(3) Scheduled Expenditure Date

October 31, 2017 (scheduled)

Disclaimer: This press release is a document for public announcement concerning debt financing (refinancing), and has not been prepared for the purpose of solicitation for investment. Investors are advised to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by HRR before they invest and that they make decisions on investment at their own responsibility and discretion.

Hoshino Resorts REIT, Inc.

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

(million yen)

	Before Debt Financing (Note 1)	After Debt Financing (Note 1)	Increase/Decrease
Short-term loans (Note 2)	1,500	1,500	0
Long-term loans (Note 2)	41,409	41,409	0
Total loans	42,909	42,909	0
Investment corporate bonds	-	-	-
Sum of loans and investment corporate bonds	42,909	42,909	0
Other interest-bearing debt	-	-	-
Total interest-bearing debt	42,909	42,909	0

(Note 1) Before Debt Financing and After Debt Financing indicate amounts after subtracting scheduled repayment to be made on October 31, 2017 (125,362,000 yen) from loan amounts as of today.

(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 of 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 ("Securities Registration Statement") submitted on October 11, 2017 with respect to the risks of the Debt Financing.

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

Disclaimer: This press release is a document for public announcement concerning debt financing (refinancing), and has not been prepared for the purpose of solicitation for investment. Investors are advised to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by HRR before they invest and that they make decisions on investment at their own responsibility and discretion.