

Hoshino Resorts REIT, Inc.

March 16, 2018

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.

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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 16, 2018 to conduct debt financing (hereinafter the "Debt Financing") as follows.

1. Details of Debt Financing

Contract No. 0039

1) Lenders	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Development Bank of Japan Inc., Mizuho Bank, Ltd.
2) Amount of the loan	¥4,400,000,000
3) Interest rate	Base interest rate (Note 1) +0.300% (floating rate)
4) Scheduled borrowing date	April 2, 2018
5) Method of borrowing	To conclude individual loan agreements on March 29, 2018 with the above lenders
6) Final repayment date	March 29, 2019 (Note 2)
7) Repayment method	Lump-sum repayment at maturity
8) Interest payment date	First payment on May 10, 2018 with subsequent payments on the last day of each month and on the final repayment date (Note 2)
9) Collateral	Unsecured/Unguaranteed

(Note 1) 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 (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.

2. Purpose of Debt Financing

Debt Financing is conducted to raise funds for the acquisition (planned acquisition price: ¥4,238 million) 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

¥4,400,000,000 (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

April 2, 2018 (scheduled)

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

(million yen)

	Before debt financing	After debt financing	Increase / Decrease
Short-term loans (Note)	—	4,400	4,400
Long-term loans (Note)	51,409	51,409	0
Total loans	51,409	55,809	4,400
Investment corporation bonds	1,500	1,500	0
Sum of borrowings and investment corporation bonds	52,909	57,309	4,400
Other interest-bearing debt	—	—	—
Total interest-bearing debt	52,909	57,309	4,400

(Note) 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 as of January 29, 2018 with respect to the risks of the Debt Financing.

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