

March 15, 2017

To all concerned parties:

Real Estate Investment Trust Securities Issuer:

Oedo Onsen Reit Investment Corporation

Representative: Fuminori Imanishi,
Executive Director
(Securities Code: 3472)

Asset Management Company:

Oedo Onsen Asset Management Co., Ltd.

Representative: Fuminori Imanishi,
Chief Executive Officer
Inquiries: Tomohiro Honda,
Chief Financial Officer
(TEL:03-6262-5200)Notice Concerning Early Repayment of Borrowing

Oedo Onsen Reit Investment Corporation (the “**Investment Corporation**”) announced today that it decided to make an early repayment of certain existing borrowings (the “**Early Repayment**”) as follows.

1. Details of borrowings subjected to the Early Repayment

Short-term loan (Note 1) (Announced in the “Notice Concerning Borrowing of Funds” dated September 1, 2016)

- (i) Lender : Sumitomo Mitsui Banking Corporation
- (ii) Loan amount : 1,400 million yen
- (iii) Interest rate (Note 2) : Base interest rate (JBA 1-month JPY TIBOR) plus 0.35%
- (iv) Drawdown date : September 1, 2016
- (v) Borrowing method : Borrowing based on individual loan agreement dated August 30, 2016, with the lender above
- (vi) Interest payment date : The first interest payment date shall be the last day of October 2016, and subsequent interest payment dates shall be the last day of every month and the principal repayment date.
- (vii) Principal repayment date : May 31, 2017
- (viii) Principal repayment method : Lump-sum repayment at maturity. If the borrower receives a refund of consumption tax, the borrower shall make an early repayment of the refunded amount to the lender on the interest payment date immediately after the day on which the borrower receives the refund (“**Refund Receipt Date**”) (or, if the interest payment date that comes immediately after the Refund Receipt Date is within 10 business days of the Refund Receipt Date, on the next interest payment date after such interest payment date).
- (ix) Security : Unsecured and unguaranteed

(Note 1) Short-term loan refers to a loan where the principal is due within one year, and long-term loan refers to a loan where the principal is due within a period longer than one year. The same applies hereinafter.

(Note 2) Borrowing expenses, etc. payable to the lenders are not included.

2. Details of the Early Repayment

(1) Amount of the Early Repayment

1,400 million yen

(2) Fund for Early Repayment

The Investment Corporation will allocate part of the amount equivalent to the refund (1,431,892,193 yen) as it received a refund of consumption tax on acquired assets and expenses incidental to such acquisition.

(3) Scheduled date of the Early Repayment

March 31, 2017

3. Status of Loans, etc. after the Early Repayment

(Unit: million yen)

	Before Early Repayment	After Early Repayment	Increase or decrease
Short-term loans	2,177	777	(1,400)
Long-term loans	11,291	11,291	-
Total loans	13,468	12,068	(1,400)
Investment corporation bonds	-	-	-
Total amount of loans and investment corporation bonds	13,468	12,068	(1,400)
Other interest-bearing debt	-	-	-
Total interest-bearing debt	13,468	12,068	(1,400)

4. Future outlook

For the Early Repayment, there is no change from the content of “Assumptions Underlying Forecasts of the Financial Results for the Fiscal Periods Ending May 2017 and November 2017” of the REIT Financial Report for the 1st Fiscal Period announced on January 24, 2017.

* The Investment Corporation’s website: <http://oom-reit.com/en/>