

To all parties concerned:

Real Estate Investment Trust Securities Issuer:  
Oedo Onsen Reit Investment Corporation  
Representative: Fuminori Imanishi,  
Executive Director  
(Securities Code: 3472)

Asset Manager:  
Oedo Onsen Asset Management Co., Ltd.  
Representative: Fuminori Imanishi,  
Chief Executive Officer  
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### Notice Concerning Borrowing of Funds

Oedo Onsen Reit Investment Corporation (the “Investment Corporation”) announces that it has decided today to undertake the following borrowing of funds (the “Borrowing”).

#### 1. Reason for the Borrowing

The proceeds of the loans will be allocated to constitute part of the funds for the repayment of short-term loan of 350 million yen and long-term loans of 3,850 million yen (the “Existing Loans”) (Note) with a repayment date of May 29, 2020.

(Note) For details of the existing loans, please refer to “Notice Concerning Borrowing of Funds” announced on May 22, 2019 and September 1, 2016. The balance of the Existing Loans prior to the undertaking of the Borrowing comes to 3,908 million yen, taking scheduled repayments and other factors into consideration.

#### 2. Details of the Borrowing

##### (1) Long-term loan (Note 1)

- (1) Lender : Sumitomo Mitsui Banking Corporation
- (2) Loan amount : 290 million yen
- (3) Interest rate : Base interest rate (JBA 1-month JPY TIBOR) (Note 3) (Note 5) plus 0.35%  
(Note 2)
- (4) Drawdown date : May 29, 2020
- (5) Borrowing : Borrowing based on the individual loan agreement dated May 27, 2020 with the  
method lender above
- (6) Interest payment : The first interest payment date shall be June 30, 2020, and subsequent interest  
date payment dates shall be the last day of every month thereafter (Note 6) and the  
principal repayment date.
- (7) Principal : May 31, 2021 (Note 6)  
repayment date
- (8) Principal : 40 million yen shall be repaid on November 30, 2020, and the remaining principal  
repayment shall be repaid on the principal repayment date.  
method
- (9) Security : Unsecured and unguaranteed

## (2) Long-term loan

- (1) Lender : Syndicate with Sumitomo Mitsui Banking Corporation as the arranger (Note 7)
- (2) Loan amount : 3,566 million yen
- (3) Interest rate : Base interest rate (JBA 3-month JPY TIBOR) (Note 4) (Note 5) plus 0.35%
- (4) Drawdown date : May 29, 2020
- (5) Borrowing method : Borrowing based on the individual loan agreement dated May 27, 2020 with the lender above
- (6) Interest payment date : The first interest payment date shall be July 31, 2020, and subsequent interest payment dates shall be the last day of every third month thereafter.
- (7) Principal repayment date : May 31, 2021 (Note 6)
- (8) Principal repayment method : The first repayment shall be made on July 31, 2020, and 18,750,000 yen shall be repaid to each Lender on the last day (Note 6) of every third month thereafter, with the balance to be repaid in full on the principal repayment date.
- (9) 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 of more than one year. The same applies hereinafter.

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

(Note 3) The base interest rate applicable to the calculation period for the interest payable on each interest payment date shall be the JBA one-month Japanese yen TIBOR (Tokyo Interbank Offered Rate) (Note 5) two business days prior to the interest payment date (in the case of the first interest calculation period, two business days prior to the borrowing date). However, in cases where the interest rate is not announced, the base interest rate for such interest calculation period shall be calculated based on the method provided for in the loan agreements. Further, each interest rate will be 0% when it is below 0%.

(Note 4) The base interest rate applicable to the calculation period for the interest payable on each interest payment date shall be the JBA three-month Japanese yen TIBOR (Tokyo Interbank Offered Rate) (Note 5) two business days prior to the interest payment date (in the case of the first interest calculation period, two business days prior to the borrowing date). However, in cases where the interest rate is not announced, the base interest rate for such interest calculation period shall be calculated based on the method provided for in the loan agreements. Further, each interest rate will be 0% when it is below 0%.

(Note 5) Please refer to the Japanese Bankers Association (JBA) TIBOR Administration’s website (<http://www.jbatibor.or.jp/english/>) regarding the Japanese yen TIBOR.

(Note 6) If this date falls on a day that is not a business day, the repayment date shall be the immediately following business day or, if that immediately following business day falls in the next calendar month, the immediately preceding business day.

(Note 7) The syndicate consists of Sumitomo Mitsui Banking Corporation, ORIX Bank Corporation, The Mie Bank, Ltd. and Sumitomo Mitsui Trust Bank, Limited.

## 3. Amount, Use and Scheduled Disbursement Date of Funds to Be Procured

### (1) Amount of funds to be procured

3,856 million yen

### (2) Specific use of funds to be procured

The proceeds of the loans will be allocated to constitute part of the funds for the repayment of the existing loans of 340 million yen and 3,568 million yen announced on May 22, 2019 and September 1, 2016 respectively.

### (3) Scheduled disbursement date

May 29, 2020

#### 4. Status of Loans, etc. after the Borrowing

(Unit: million yen)

	Before drawdown	After drawdown	Increase or decrease
Short-term loans	340	—	(340)
Long-term loans	15,031	15,319	+287
Total loans	15,371	15,319	(52)
Investment corporation bonds	—	—	—
Total amount of loans and investment corporation bonds	15,371	15,319	(52)
Other interest-bearing debt	—	—	—
Total interest-bearing debt	15,371	15,319	(52)

(Note) Long-term loans includes the current portion of long-term loans within a year.

#### 5. Other Matters Necessary for Investors' Appropriate Understanding and Judgment of the Subject Information

There is no change to the content of "Part I. Fund Information, I Status of Fund, 3. Investment Risks" of the Securities Report for the fiscal period ended November 30, 2019 (7th fiscal period) submitted on February 26, 2020 due to the Borrowing.

\* The Investment Corporation's website: <https://oom-reit.com/en/>