

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 loans of 7,324 million yen (the “Existing Loans”) (Note) with a repayment date of February 28, 2022.

(Note) For details of the existing loans, please refer to “Notice Concerning Borrowing of Funds” announced on August 24 and November 30, 2021. The balance of the Existing Loans prior to the undertaking of the Borrowing comes to 6,681 million yen, taking scheduled repayments and other factors into consideration.

2. Details of the Borrowing

(1) Short-term loan (Note 1)

- (1) Lender : Sumitomo Mitsui Banking Corporation
- (2) Loan amount : 220 million yen
- (3) Interest rate : Base interest rate (JBA JPY TIBOR) (Note 3) (Note 4) plus 0.70%
(Note 2)
- (4) Drawdown date : February 28, 2022
- (5) Borrowing method : Borrowing based on the individual loan agreement dated February 24, 2022 with the lender above
- (6) Interest payment date : The first interest payment date shall be the last day of March 2022, and subsequent interest payment dates shall be the last day of every month thereafter
(Note 5) and the principal repayment date.
- (7) Principal repayment date : May 31, 2022 (Note 5)
- (8) Principal repayment method : The remaining principal shall be repaid on the principal repayment date.
- (9) Security : Secured and unguaranteed

(2) Short-term loan (Tranche-A)

- (1) Lender : Syndicate with Sumitomo Mitsui Banking Corporation as the arranger (Note 6)
- (2) Loan amount : 3,236 million yen (Maximum)
- (3) Interest rate : Base interest rate (JBA JPY TIBOR) (Note 3) (Note 4) plus 0.70% (Note 2)
- (4) Drawdown date : February 28, 2022
- (5) Borrowing method : Borrowing based on the individual loan agreement dated February 24, 2022 with the lender above
- (6) Interest payment date : The first interest payment date shall be the last day of March 2022, and subsequent interest payment dates shall be the last day of every month thereafter (Note 5) and the principal repayment date.
- (7) Principal repayment date : May 31, 2022 (Note 5)
- (8) Principal repayment method : 20,709,000 yen (Maximum) the last day of April 2022, and the remaining principal shall be repaid on the principal repayment date.
- (9) Security : Secured and unguaranteed

(3) Long-term loan (Tranche-B)

- (1) Lender : Syndicate with Sumitomo Mitsui Banking Corporation as the arranger (Note7)
- (2) Loan amount : 3,215 million yen
- (3) Interest rate : Base interest rate (JBA JPY TIBOR) (Note 3) (Note 4) plus 0.75% (Note 2)
- (4) Drawdown date : February 28, 2022
- (5) Borrowing method : Borrowing based on the individual loan agreement dated February 24, 2022 with the lender above
- (6) Interest payment date : The first payment date shall be the last day of March 2022 with subsequent payments to be made on the last day of every month until the last day of July 2022 (Note 5), the last day of every three months until the last day of January 2023, and the final principal payment date.
- (7) Principal repayment date : February 28, 2023 (Note 5)
- (8) Principal repayment method : The first repayment date shall be the last day of April 2022 (Note 5). Thereafter, 30,115 thousand yen shall be repaid on the last day of every three months with the balance to be repaid on the principal repayment date.
- (9) Security : Secured 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 a calculation period for the interest payable on each interest payment date shall be the JBA Japanese yen TIBOR (Tokyo Interbank Offered Rate), as of 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), which covers the calculation period for such interest payable. 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) Please refer to the Japanese Bankers Association (JBA) TIBOR Administration’s website (<http://www.jbatibor.or.jp/english/>) regarding the Japanese yen TIBOR.

(Note 5) 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 6) The syndicate consists of Sumitomo Mitsui Banking Corporation, Fukoku Mutual Life Insurance Company, Sumitomo Mitsui Trust Bank, Limited.
- (Note 7) The syndicate consists of Sumitomo Mitsui Banking Corporation, Fukoku Mutual Life Insurance Company, San ju San Bank.

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

(1) Amount of funds to be procured

6,671 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 on December 24, 2021 respectively.

(3) Scheduled disbursement date

February , 2022

4. Status of Loans, etc. after the Borrowing

(Unit: million yen)

	Before drawdown	After Drawdown (planned)	Increase or decrease
Short-term loans	6,681	3,456	(3,225)
Long-term loans	6,699	9,914	+3,215
Total loans	13,381	13,371	(10)
Investment corporation bonds	—	—	—
Total amount of loans and investment corporation bonds	13,381	13,371	(10)
Other interest-bearing debt	—	—	—
Total interest-bearing debt	13,381	13,371	(10)

(Note 1) Short-term loans are presented based on the assumption of borrowing the maximum amount.

(Note 2) 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 May 31, 2021 (10th fiscal period) submitted on August 24, 2021 due to the Borrowing.

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