

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

Inquiries: Shinya Ito,  
Chief Planning &  
Coordination Officer  
(TEL:03-6262-5200)

### 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 long-term loans of 7,053 million yen and 450 million yen (the “Existing Long-Term Loans”) (Note) with a repayment date of May 31, 2019.

(Note) For details of the loans, please refer to “Notice Concerning Borrowing of Funds” announced on September 1, 2016 and May 28, 2018. The balance of the loans prior to the undertaking of the Borrowing comes to 7,076 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 : 350 million yen
- (3) Interest rate : Base interest rate (JBA 1-month JPY TIBOR) (Note 3) (Note 6) plus 0.35%  
(Note 2)
- (4) Drawdown date : May 31, 2019
- (5) Borrowing method : Borrowing based on the individual loan agreement dated May 29, 2019 with the lender above
- (6) Interest payment date : The first interest payment date shall be June 30, 2019, and subsequent interest payment dates shall be the last day of every month thereafter (Note 6) and the principal repayment date.
- (7) Principal repayment date : May 29, 2020 (Note 6)
- (8) Principal repayment method : 10 million yen shall be repaid on November 29, 2019, and the remaining principal shall be repaid on the principal repayment date.
- (9) Security : Unsecured and unguaranteed

(2) Long-term loan (Note 1) (Tranche 3-A)

- (1) Lender : Syndicate with Sumitomo Mitsui Banking Corporation as the arranger (Note 7)
- (2) Loan amount : 3,338 million yen
- (3) Interest rate : Base interest rate (JBA 3-month JPY TIBOR) (Note 4) (Note 6) plus 0.65%
- (4) Drawdown date : May 31, 2019
- (5) Borrowing : Borrowing based on the individual loan agreement dated May 29, 2019 with the method lender above
- (6) Interest payment : The first interest payment date shall be July 31, 2019, and subsequent interest date payment dates shall be the last day of every third month thereafter.
- (7) Principal repayment date : May 31, 2022 (Note 6)
- (8) Principal repayment method : The first repayment shall be made on July 31, 2019, and 17,125,000 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

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

- (1) Lender : Syndicate with Sumitomo Mitsui Banking Corporation as the arranger (Note 8)
- (2) Loan amount : 3,338 million yen
- (3) Interest rate : Base interest rate (JBA 3-month JPY TIBOR) (Note 4) (Note 6) plus 0.80%
- (4) Drawdown date : May 31, 2019
- (5) Borrowing : Borrowing based on the individual loan agreement dated May 29, 2019 with the method lender above
- (6) Interest payment : The first interest payment date shall be July 31, 2019, and subsequent interest date payment dates shall be the last day of every third month thereafter.
- (7) Principal repayment date : May 31, 2023 (Note 6)
- (8) Principal repayment method : The first repayment shall be made on July 31, 2019, and 17,125,000 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 there is no rate corresponding to the interest calculation period, the base interest rate for such interest calculation period shall be calculated based on the method provided for in the loan agreements.

(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 there is no rate corresponding to the interest calculation period, the base interest rate for such interest calculation period shall be calculated based on the method provided for in the loan agreements. Furthermore, 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, Sumitomo Mitsui Trust Bank, Limited, ORIX Bank Corporation, The Mie Bank, Ltd., The Towa Bank, Ltd., The Iyo Bank, Ltd., The Nomura Trust and Banking Co., Ltd., The Bank of Fukuoka, Ltd. and The Shinwa Bank, Ltd.

(Note 8) The syndicate consists of Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, ORIX Bank Corporation, The Mie Bank, Ltd., The Towa Bank, Ltd., The Iyo Bank, Ltd., The Nomura Trust and Banking Co., Ltd., The Bank of Fukuoka, Ltd. and The Shinwa Bank, Ltd.

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

(1) Amount of funds to be procured

7,026 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 6,676 million yen and 400 million yen announced on September 1, 2016 and May 28, 2018 respectively.

(3) Scheduled disbursement date

May 31, 2019

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

(Unit: million yen)

	Before drawdown	After drawdown	Increase or decrease
Short-term loans	—	350	+ 350
Long-term loans	15,804	15,404	(400)
Total loans	15,804	15,754	(50)
Investment corporation bonds	—	—	—
Total amount of loans and investment corporation bonds	15,804	15,754	(50)
Other interest-bearing debt	—	—	—
Total interest-bearing debt	15,804	15,754	(50)

(Note) Long-term loans scheduled for repayment within one year from today are included in long-term loans.

### 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, 2018 (5th fiscal period) submitted on February 26, 2019 due to the Borrowing.

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