

December 18, 2025

For Immediate Release

REIT Issuer

HEIWA REAL ESTATE REIT, Inc.
5-1 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo
Aya Motomura, Executive Director
(Securities Code: 8966)

Asset Management Company

HEIWA REAL ESTATE Asset Management CO., LTD.
Masanori Hirano, Representative Director, President and Chief Executive Officer
Inquiries: Naomi Kawasaki, General Manager of Planning & Finance Department
TEL. +81-3-3669-8771

Notice Concerning Borrowing of Funds

HEIWA REAL ESTATE REIT, Inc. (the “Investment Corporation”) announced today the following decision to borrow funds as described below.

Details

1. Borrowing of Funds

(1) Details of Borrowings

Term Loan 85-①

Lender	Resona Bank, Limited.
Loan Amount	1,700 million yen
Interest Rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.49% (Note1)
Drawdown Date	December 23, 2025
Borrowing Method	Borrowing based on the individual loan agreements with the above lender scheduled to be concluded on December 19, 2025
Interest Payment Date	The last day of every month (the first interest payment date shall be January 30, 2026) and the principal repayment date (however, in the event that one of these days is not a business day, the business day immediately preceding it)
Principal Repayment Date	May 31, 2033
Principal Repayment Method	Lump-sum repayment on the principal repayment date
Collateral and Guarantee	Unsecured and unguaranteed

Term Loan 85-②

Lender	MUFG Bank, Ltd.
Loan Amount	2,000 million yen
Interest Rate	TBD(Fixed interest rate)(Note2)
Drawdown Date	December 23, 2025

Borrowing Method	Borrowing based on the individual loan agreements with the above lender scheduled to be concluded on December 19, 2025
Interest Payment Date	The last day of every January, April, July and October (the first interest payment date shall be January 30, 2026) and the principal repayment date (however, in the event that one of these days is not a business day, the business day immediately preceding it)
Principal Repayment Date	November 30, 2034
Principal Repayment Method	Lump-sum repayment on the principal repayment date
Collateral and Guarantee	Unsecured and unguaranteed

Term Loan 85-③

Lender	Mizuho Bank, Ltd.
Loan Amount	1,470 million yen
Interest Rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.67% (Note1)
Drawdown Date	December 23, 2025
Borrowing Method	Borrowing based on the individual loan agreements with the above lender scheduled to be concluded on December 19, 2025
Interest Payment Date	The last day of every month (the first interest payment date shall be January 30, 2026) and the principal repayment date (however, in the event that one of these days is not a business day, the business day immediately preceding it)
Principal Repayment Date	November 30, 2034
Principal Repayment Method	Lump-sum repayment on the principal repayment date
Collateral and Guarantee	Unsecured and unguaranteed

(Note1) The base interest rate applicable to the calculation period for the interest payable on an interest payment date is the 1-month Japanese Yen TIBOR released by JBA TIBOR Administration (the “JBATA”) two business days preceding the first day of each Interest calculation period. For JBA’s Japanese Yen TIBOR, please check with JBATA’s website (<http://www.ibatibor.or.jp/english/rate/>).

(Note2) The interest rate will be announced when determined.

(2) Reason for Borrowings

The total amount of proceeds from the borrowing described above (5,170 million yen) will be used to partly fund the acquisition of “HF SHIMO-AKATSUKA RESIDENCE”, “HF TOKIWADAI RESIDENCE”, and “HF AYASE RESIDENCE”, as well as a portion of the related expenses.

* For more details about the acquisition of the specified assets, please refer to the press release “Notice Concerning Acquisition of Domestic Assets (HF SHIMO-AKATSUKA RESIDENCE, HF TOKIWADAI RESIDENCE, HF AYASE RESIDENCE)” announced on December 10, 2025.

2. Status of Interest-Bearing Liabilities after Borrowing of Funds

(Unit: million yen, fractions of one unit have been rounded off)

	Before Borrowing of funds	After Borrowing of funds	Change
Short-term loans	0	0	-
Long-term loans due within 1 year	15,515	15,515	-
Long-term loans	104,955	110,125	5,170
Total loans	120,470	125,640	5,170
Investment corporation bonds	7,900	7,900	-
Total interest-bearing liabilities	128,370	133,540	5,170

3. Other

The risks associated with the borrowing of funds as agreements as described above do not change from those detailed in “Investment Risks” in the periodic securities report (Yuka Shoken Hokokusho) for the fiscal period ended May 2025 (47th Fiscal Period), which was submitted on August 28, 2025.

* Investment Corporation Website: <https://www.heiwa-re.co.jp/en/>

DISCLAIMER:

Heiwa Real Estate REIT, Inc. makes no assurance or warranty with respect to the completeness or accuracy of this English translation. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail. For complete and accurate information, please refer to the Japanese original.