

February 24, 2011

For Immediate Release

REIT Issuer

HEIWA REAL ESTATE REIT, Inc.

2-5-1 Atago, Minato-ku, Tokyo

Masaaki Higashihara, Executive Director

(Securities Code: 8966)

Asset Management Company

HEIWA REAL ESTATE Asset Management CO., LTD.

Takaya Ichikawa, President &amp; Representative Director

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Borrowing of Funds (Interest Rate Settlement)

HEIWA REAL ESTATE REIT, Inc. (the "Investment Corporation") announced that the interest rate for each applicable interest period for the following funds borrowed by the Investment Corporation have been settled. (For details on the funds borrowed, please refer to the former Japan Single-residence REIT Inc.'s "Notice Concerning New Borrowing" dated August 26, 2010. The press release is available for viewing on the Investment Corporation's website.).

## Details

1. Classification: Short-term loan  
Lenders: The Chuo Mitsui Trust and Banking Co., Ltd.; Aozora Bank, Ltd.;  
Mizuho Trust & Banking Co., Ltd.; Sumitomo Mitsui Banking Corporation;  
The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Resona Bank, Ltd.  
Loan Amount: ¥10,554,700,000  
Drawdown Date: August 31, 2010  
Principal Repayment Date: May 31, 2011  
Principal Repayment Method: Lump-sum repayment on the principal repayment date  
Interest Rate: 1.18000% (per annum)  
Applicable Interest Period: March 1, 2011 to March 31, 2011
2. Classification: Short-term loan  
Lender: Aozora Bank, Ltd.  
Loan Amount: ¥6,130,000,000  
Drawdown Date: August 31, 2010  
Principal Repayment Date: May 31, 2011  
Principal Repayment Method: Lump-sum repayment on the principal repayment date

Interest Rate: 1.68000% (per annum)  
Applicable Interest Period: March 1, 2011 to March 31, 2011

The Investment Corporation will announce the interest rate applicable on and after April 1, 2011 for the funds borrowed in 1. and 2. above when such have been settled.

\*Distribution: Kabuto Club, Ministry of Land, Infrastructure, Transport and Tourism Press Club, and  
Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications

\*Investment Corporation Website: <http://www.heiwa-re.co.jp/>