

Translation Purposes Only

May 29, 2012

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 & Representative Director

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Borrowing of Funds (Interest rate Settlement)

HEIWA REAL ESTATE REIT, Inc. (the “Investment Corporation”) announced today that the interest rates for funds borrowed that were announced in the press release “Borrowing of Funds and Repayment of Loans” on May 28, 2012, have been settled as follows.

Details

Lenders	Loan Balance	Interest Rate	Drawdown Date	Principal Repayment Date
Aozora Bank, Ltd. Resona Bank, Ltd.	¥6,130 million	Fixed rate 1.89206%	May 31, 2012	October 31, 2017

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Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications

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