

Translation Purposes Only

May 27, 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 & Representative Director

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Borrowing of Funds (Interest Rate Settlement)

HEIWA REAL ESTATE REIT, Inc. (the “Investment Corporation”) announced that the interest rates for funds borrowed that were announced in the press release “Borrowing of Funds and Repayment of Funds Borrowed” on May 26, 2011, have been settled as follows.

Details

Lenders	Loan Balance	Interest Rate	Drawdown Date	Principal Repayment Date
Aozora Bank, Ltd. Resona Bank, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Trust & Banking Co., Ltd. The Chuo Mitsui Trust and Banking Co., Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥6,554.7 million	fixed rate 1.80336% (Note)	May 31, 2011	May 30, 2014
Aozora Bank, Ltd. Resona Bank, Ltd. Sumitomo Mitsui Banking Corporation The Chuo Mitsui Trust and Banking Co., Ltd.	¥4,000 million	fixed rate 2.14200% (Note)	May 31, 2011	May 31, 2016

(Note) The interest payment dates are the last day of every month and the principal repayment date (however, in the event that this day is not a business day, the business day immediately preceding it).

*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/>