

Additional Documentation for Press Release

Notice Concerning Disposition of Domestic Assets (HF NISHI-SHINJUKU RESIDENCE WEST and HF NISHI-SHINJUKU RESIDENCE EAST)

April 27, 2026



HEIWA REAL ESTATE REIT, Inc.

Overview of This Disposition (Planned)

- As a result of this disposition, the expected gain on sale is 1,570 million yen for HF NISHI-SHINJUKU RESIDENCE WEST and 920 million yen for HF NISHI-SHINJUKU RESIDENCE EAST. Accordingly this disposition expected to result in an aggregate gain on sale of approximately **2,490** million yen.
- As a result of these dispositions, the Investment Corporation expects to record gains on sale for the **18th consecutive** fiscal period. By realizing substantial unrealized gains, it is accelerating the maximization of unitholder value under its asset turnover-type strategy.



▶ Assets disposed in the 49th fiscal period(planned)

HF NISHI-SHINJUKU RESIDENCE WEST	
	Proposed disposition price 3,500 million yen (Percent of appraisal value) 116% (Percent of book value (Note 1)) 187% Estimated gain (Note 2) 1,577 million yen
HF NISHI-SHINJUKU RESIDENCE EAST	
	Proposed disposition price 2,050 million yen (Percent of appraisal value) 116% (Percent of book value (Note 1)) 187% Estimated gain (Note 2) 921 million yen

▶ Expected Effects of These Dispositions



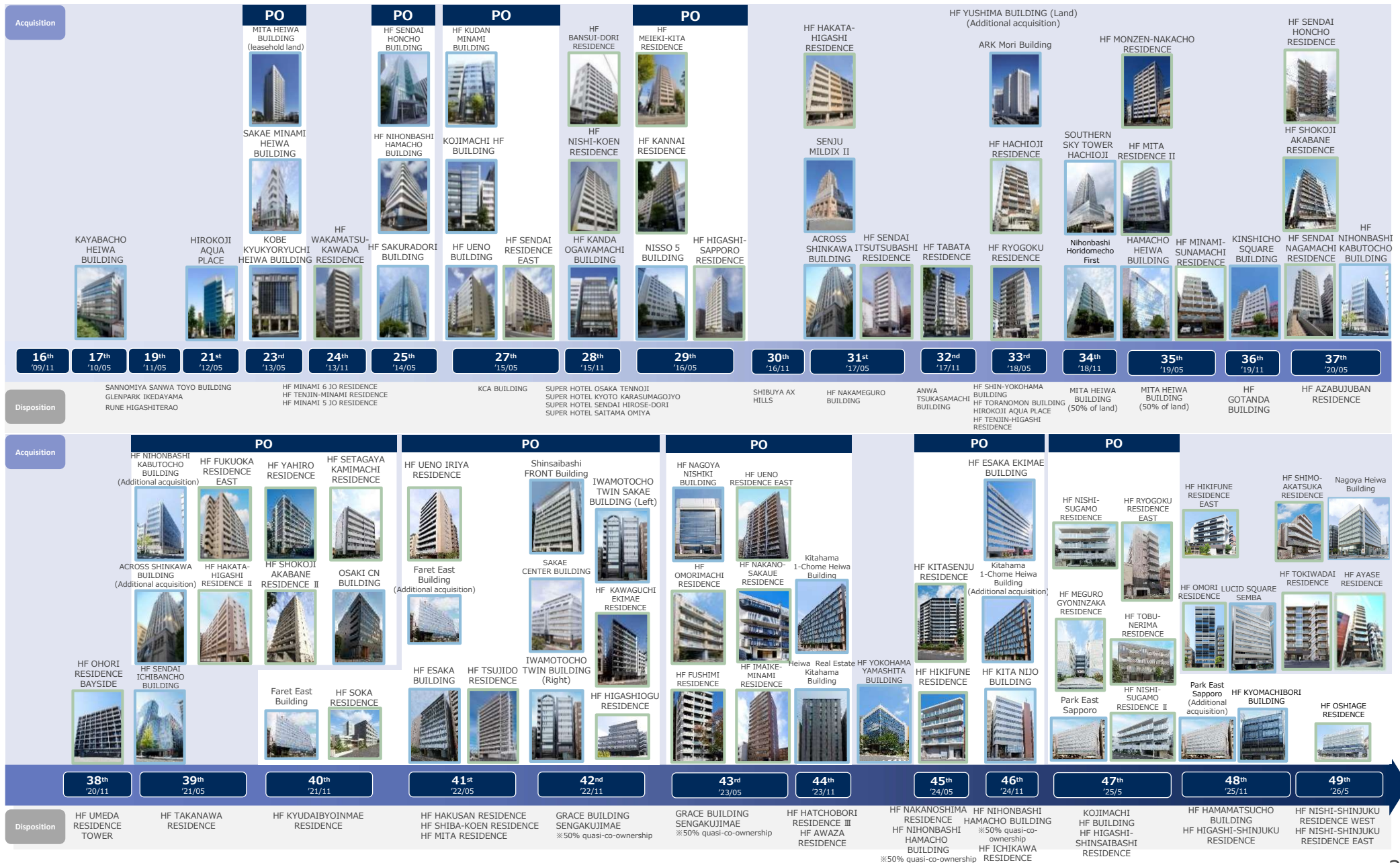
Gain on Sale 2,490 million yen(expected)

- Investor returns
 - Securing funds for growth investments
 - Securing funds for unitholder distributions
- property acquisition funding**
- Enhancement of portfolio quality

(Note 1) Book value is estimated amount as of scheduled the disposition date.
 (Note 2) Estimated gain is the difference between the scheduled disposition price and the sum of the book value and fees related to the disposition. Since the gain has been calculated for reference only, it may differ from the amount of actual gain (loss) on sales.

History of property acquisition and disposition

(after the change of sponsor)



(note) Excluding the properties that succeeded by the merger with Japan Shingle-Residence REIT Inc. on October 1, 2010

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Asset Management Company

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