

February 26, 2024

For Immediate Release

REIT Issuer

HEIWA REAL ESTATE REIT, Inc.  
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Aya Motomura, Executive Director  
(Securities Code: 8966)

Asset Management Company

HEIWA REAL ESTATE Asset Management CO., LTD.  
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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 74-①

Lender	The Bank of Fukuoka, Ltd.
Loan Amount	500 million yen
Interest Rate	Base interest rate (JBA 3-month Japanese Yen TIBOR) + 0.430% (Note)
Drawdown Date	February 29, 2024
Borrowing Method	Borrowing based on the individual loan agreements with the above lender scheduled to be concluded on February 27, 2024
Interest Payment Date	The last day of every January, April, July and October (the first interest payment date shall be April 30, 2024) 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, 2032
Principal Repayment Method	Lump-sum repayment on the principal repayment date
Collateral and Guarantee	Unsecured and unguaranteed

Term Loan 74-②

Lender	The Chiba Bank, Ltd.
Loan Amount	1,000 million yen
Interest Rate	Base interest rate (JBA 3-month Japanese Yen TIBOR) + 0.430% (Note)
Drawdown Date	February 29, 2024
Borrowing Method	Borrowing based on the individual loan agreements with the above lender scheduled to

	be concluded on February 27, 2024
Interest Payment Date	The last day of every January, April, July and October (the first interest payment date shall be April 30, 2024) 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, 2032
Principal Repayment Method	Lump-sum repayment on the principal repayment date
Collateral and Guarantee	Unsecured and unguaranteed

#### Term Loan 74-③

Lender	SBI Shinsei Bank, Limited
Loan Amount	1,000 million yen
Interest Rate	Base interest rate (JBA 3-month Japanese Yen TIBOR) + 0.440% (Note)
Drawdown Date	February 29, 2024
Borrowing Method	Borrowing based on the individual loan agreements with the above lender scheduled to be concluded on February 27, 2024
Interest Payment Date	The last day of every January, April, July and October (the first interest payment date shall be April 30, 2024) 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, 2032
Principal Repayment Method	Lump-sum repayment on the principal repayment date
Collateral and Guarantee	Unsecured and unguaranteed

(Note) The base interest rate applicable to the calculation period for the interest payable on an interest payment date is the 3-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.jbatibor.or.jp/english/rate/>).

#### (2) Reason for Borrowings

The total amount of proceeds from the borrowing described above will be used to partly fund the acquisition of “HF KITASENJU RESIDENCE”, and the expenses associated with the acquisition.

\* For more details about the acquisition of the specified asset, please refer to the press release “Notice Concerning Acquisition of Domestic Assets (HF KITASENJU RESIDENCE and SHINWA ESAKA BUILDING)” announced on January 30, 2024.

### 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	1,000	1,000	-
Long-term loans due within 1 year	11,935	11,935	-
Long-term loans	90,702	93,202	2,500
Total loans	103,637	106,137	2,500
Investment corporation bonds	8,900	8,900	-
Total interest-bearing liabilities	112,537	115,037	2,500

### 3. Other

The risks associated with the borrowing of funds 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 2023 (43rd Fiscal Period), which was submitted on August 29, 2023.

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