

November 19, 2025

For Immediate Release

REIT Issuer

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

Asset Management Company

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Notice Concerning Borrowing of Funds and Repayment of Loans

HEIWA REAL ESTATE REIT, Inc. (hereinafter referred to as the “Investment Corporation”) announced today the following decision to borrow funds and make repayment of loans, as described below.

Details

1. Borrowing of funds

(1) Details of borrowings

Term Loan 84 Tranche A

Lenders	Sompo Japan Insurance Inc.
Loan amount	469 million yen
Interest rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.340% (Note 1)
Drawdown date	November 28, 2025
Borrowing method	Borrowing based on the individual loan agreements with the above lenders scheduled to be concluded on November 26, 2025
Interest payment date	The last day of every month (the first interest payment date shall be December 30, 2025) 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, 2029
Principal repayment method	Lump-sum repayment on the principal repayment date
Collateral and guarantee	Unsecured and unguaranteed

Term Loan 84 Tranche B

Lenders	Sumitomo Mitsui Banking Corporation, The 77 Bank, Ltd.
Loan amount	395 million yen
Interest rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.440% (Note 1)
Drawdown date	November 28, 2025
Borrowing method	Borrowing based on the individual loan agreement with the above lenders scheduled to be concluded on December 30, 2025
Interest payment date	The last day of every month (the first interest payment date shall be December 30, 2025) 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)

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Principal repayment date	November 29, 2030
Principal repayment method	Lump-sum repayment on the principal repayment date
Collateral and guarantee	Unsecured and unguaranteed

Term Loan 84 Tranche C

Lender	Resona Bank, The Bank of Fukuoka, Ltd.
Loan amount	1,400 million yen
Interest rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.470% (Note 1)
Drawdown date	November 28, 2025
Borrowing method	Borrowing based on the individual loan agreement with the above lender scheduled to be concluded on November 26, 2025
Interest payment date	The last day of every month (the first interest payment date shall be December 30, 2025) 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 30, 2031
Principal repayment method	Lump-sum repayment on the principal repayment date
Collateral and guarantee	Unsecured and unguaranteed

Term Loan 84 Tranche D

Lenders	MUFG Bank, Ltd.
Loan amount	1,365 million yen
Interest rate	TBD (fixed interest rate) (Note 2)
Drawdown date	November 28, 2025
Borrowing method	Borrowing based on the individual loan agreement with the above lenders scheduled to be concluded on November 26, 2025
Interest payment date	The last day of every January, April, July and October (the first interest payment date shall be January 30, 2026) 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

Term Loan 84 Tranche E

Lenders	Sumitomo Mitsui Banking Corporation, Resona Bank, Limited, Sumitomo Mitsui Trust Bank, Limited, Aozora Bank, Ltd., Mizuho Trust & Banking Co., Ltd., SBI Shinsei Bank, Limited, Mizuho Bank, Ltd.
Loan amount	3,750 million yen
Interest rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.560% (Note 1)
Drawdown date	November 28, 2025
Borrowing method	Borrowing based on the individual loan agreement with the above lenders scheduled to be concluded on November 26, 2025
Interest payment date	The last day of every month (the first interest payment date shall be December 30, 2025) 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 1) The base interest rate applicable to the calculation period for the interest payable on an interest payment date is the 1-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.ibatibor.or.jp/english/rate/>).

(Note 2) The interest rate will be announced when determined.

(2) Reason for borrowings

The total amount of the funds to be procured (7,379 million yen) will be used to fund the repayment of the existing loans outlined in “2. Loans subject to repayment” below.

2. Loans subject to repayment

Term Loan 33 Tranche B

Lenders	Sumitomo Mitsui Banking Corporation, Resona Bank, Limited, MUFG Bank, Ltd., SBI Shinsei Bank, Limited
Loan Balance	2,765 million yen
Drawdown Date	May 31, 2017
Principal Repayment Date	November 28, 2025

Term Loan 40 Tranche B

Lender	Sumitomo Mitsui Banking Corporation, Resona Bank, Limited, MUFG Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Aozora Bank, Ltd., Mizuho Trust & Banking Co., Ltd., Mizuho Bank, Ltd., The Bank of Fukuoka, Ltd., The 77 Bank, Ltd.
Loan Balance	1,750 million yen
Drawdown Date	October 31, 2018
Principal Repayment Date	November 28, 2025

Term Loan 42-①

Lenders	Mizuho Bank, Ltd.
Loan Balance	1,000 million yen
Drawdown Date	December 14, 2018
Principal Repayment Date	November 28, 2025

Term Loan 42-②

Lenders	The Bank of Fukuoka, Ltd.
Loan Balance	700 million yen
Drawdown Date	December 14, 2018
Principal Repayment Date	November 28, 2025

Term Loan 43 Tranche B – Partial Repayment

Lenders	Sumitomo Mitsui Banking Corporation, Aozora Bank, Ltd., MUFG Bank, Ltd., The Bank of Fukuoka, Ltd., ORIX Bank Corporation, The Norinchukin Bank
Loan Balance	2,562 million yen (Note)
Drawdown Date	May 31, 2019
Principal Repayment Date	May 31, 2026

(Note) As announced in the "Notice Concerning of Partial Early Repayment of Loan" dated October 23, 2025, the amount to be repaid is 300 million yen out of the remaining loan balance of 2,562 million yen, and the balance after repayment will be 2,262 million yen.

Term Loan 60 Tranche C

Lenders	MUFG Bank, Ltd., Sompo Japan Insurance Inc.
Loan Balance	864 million yen
Drawdown Date	May 31, 2022
Principal Repayment Date	November 28, 2025

3. Status of interest-bearing liabilities after the borrowing of funds and the repayment of the loans

(Unit: million yen, figures are rounded-down to the nearest unit)

	Before the borrowing and the repayment	After the borrowing and the repayment	Increase / Decrease
Short-term loans	0	0	-
Long-term loans due within 1 year	14,241	6,862	-7,379
Long-term loans	106,229	113,608	7,379
Total loans	120,470	120,470	-
Investment corporation bonds	7,900	7,900	-
Total interest-bearing liabilities	128,370	128,370	-

(Note) The status of "Before the borrowing and the repayment" reflects relevant amounts before the borrowing of funds and the repayment of loans announced on today and such amounts before the early repayment before the due date announced in the "Notice Concerning of Early Repayment of Loan" announced on October 23, 2025, while the status of "After the borrowing and the repayment" shows relevant amounts after the execution of all of the said transactions.

4. Other

The risks associated with the borrowing of funds as described above do not change from those detailed in "Investment Risks" in the securities registration statement and in the periodic securities report for the 47th Fiscal Period (the fiscal period ended May 2025), which was submitted on August 28, 2025.

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

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