

February 25, 2026

For Immediate Release

REIT Issuer

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(Securities Code: 8966)

Asset Management Company

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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 86

Lender	Sumitomo Mitsui Banking Corporation,Limited.
Loan Amount	5,140 million yen
Interest Rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.22% (Note1)
Drawdown Date	March 2, 2026
Borrowing Method	Borrowing based on the individual loan agreements with the above lender scheduled to be concluded on February 26, 2026
Interest Payment Date	The last day of every month (the first interest payment date shall be March 31, 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	June 30, 2027
Principal Repayment Method	Lump-sum repayment on the principal repayment date
Collateral and Guarantee	Unsecured and unguaranteed

(Note1) 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.jbatibor.or.jp/english/rate/>).

(2) Reason for Borrowings

The total amount of proceeds from the borrowing described above (5,140 million yen) will be used to partly fund the acquisition of “Nagoya Heiwa Building” as well as a portion of the related expenses.

* For more details about the acquisition of the specified assets, please refer to the press release “Notice Concerning Acquisition of Domestic Assets (Nagoya Heiwa Building)” announced on February 10, 2026.

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	0	0	-
Long-term loans due within 1 year	15,515	15,515	-
Long-term loans	110,125	115,265	5,140
Total loans	125,640	130,780	5,140
Investment corporation bonds	7,900	7,900	-
Total interest-bearing liabilities	133,540	138,680	5,140

3. Other

The risks associated with the borrowing of funds as agreements 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 November 2025 (48th Fiscal Period), which was submitted on February 25, 2026.

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

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