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For Immediate Release

REIT Issuer
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Notice Concerning Acquisition of Domestic Assets (HF SHIMO-AKATSUKA RESIDENCE, HF TOKIWADAI RESIDENCE and HF AYASE RESIDENCE)

HEIWA REAL ESTATE REIT, Inc. (hereinafter referred to as the "Investment Corporation") announces today that HEIWA REAL ESTATE Asset Management CO., Ltd. (hereinafter referred to as the "Asset Management Company"), the company to which the Investment Corporation entrusts its asset management operations, decided to execute the acquisition (hereinafter referred to as the "Acquisition") of assets (hereinafter referred to as the "Assets to be Acquired"). The details are as follows.

Details

1. Overview of the Acquisition

Property Number	Property Name (Note 1)	Type of Specified Asset	Investment Category	Investment Area (Note 2)	Expected Acquisition Price (million yen) (Note 3)	Appraisal Value (million yen)
Re-118	HF SHIMO-AKATSUKA RESIDENCE	Real estate trust beneficiary right	Residence	Primary Investment Area (Nerima-ku, Tokyo)	1,600	1,910
Re-119	HF TOKIWADAI RESIDENCE	Real estate trust beneficiary right	Residence	Primary Investment Area (Itabashi-ku, Tokyo)	1,980	2,470
Re-120	HF AYASE RESIDENCE	Real estate trust beneficiary right	Residence	Primary Investment Area (Katsushika-ku, Tokyo)	1,250	1,530
Total					4,830	5,910

(Note 1) The names of the Assets to be Acquired are currently "Alpha Court Shimo-Akatsuka" for Re-118, "Alpha Court Tokiwadai3" for Re-119, and "Alpha Court Ayase2" for Re-120. Re-118 is to be changed to "HF SHIMO-AKATSUKA RESIDENCE", Re-119 to "HF TOKIWADAI RESIDENCE" and Re-120 to "HF AYASE RESIDENCE" on May 1, 2026 after the Investment Corporation has acquired these properties. Accordingly, these names after the change are recorded. The same will apply below.

(Note 2) The "Primary Investment Area" refers to the 23 Wards of Tokyo, the "Secondary Investment Area" refers to Tokyo excluding the Primary Investment Area, major urban areas in Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture, and the "Regional Investment Area" refers to major urban areas in the Metropolitan Area excluding the Primary Investment Area and the Secondary Investment Area. The "Metropolitan Area" refers to the Central Cities and the surrounding municipalities that are socially and economically connected to the Central Cities and the "Central Cities" of the Metropolitan Area refers to the 23 Wards of Tokyo and the government-designated cities. The same will apply below.

(Note 3) "Proposed Acquisition Price" is the price described in the real estate trust beneficiary right transaction agreement (consumption tax excluded), and does not include the amounts of expenses related to acquisition, fixed property tax, and city planning tax, etc.

(1) Agreement execution date: December 10, 2025
(2) Scheduled acquisition date: December 23, 2025
(3) Seller: Undisclosed (Note1)
(4) Acquisition financing: Borrowings and cash on hand
(5) Payment method: Lump-sum payment at time of delivery
(6) Brokerage: Applicable (Note2)

(Note1) Not disclosed as consent cannot be obtained from the seller. The seller does not fall under a party with a special interest in the Investment Corporation and the Asset Management Company.
(Note2) The broker does not fall under a party with a special interest in the Investment Corporation and the Asset Management Company.

2. Reason for the Acquisition

The Investment Corporation's Articles of Incorporation stipulates that the "targets and policies of asset management" is to ensure the steady growth of the investment portfolio and medium- to long-term sustainable profit. Under the Articles of Incorporation, the Investment Corporation seeks to expand its assets through continuous property acquisitions and to improve the quality and profitability of the portfolio by replacing assets.
The Asset Management Company has evaluated the Assets to be acquired on the following points and decided to acquire these properties based on the belief that the Acquisition would help realize the policy above and improve unitholder value.

(1) HF SHIMO-AKATSUKA RESIDENCE

The property to be acquired is located within a nine-minute walk from Chikatetsu-Akatsuka Station on the Tokyo Metro Yurakucho and Fukutoshin Lines, and a ten-minute walk from Shimo-Akatsuka Station on the Tobu Tojo Line. The property offers convenient access to central Tokyo. The area surrounding Shimo-Akatsuka Station provides high living convenience, with supermarkets, restaurants, financial institutions, and other essential facilities located nearby.
The property to be acquired includes 28 units with a 25.67-32.29 m² 1K layout and 18 units with a 40.90-45.77 m² 1LDK layout (46 units in total). Demand is expected to be mainly from single-person households and DINKs. In terms of the level of the facilities provided, the property considers security with the installed automatic locks, security cameras, video intercoms and other equipment. Moreover, the building is equipped with separated baths and toilets, bathrooms with reheating function, bathroom dehumidifiers, electric toilet seats, home delivery boxes, and other features. Additionally, the rent gap, calculated based on the current rents and the estimated market rents, is -18.2%. These properties were completed in October 2021 during the COVID-19 pandemic, and further internal growth is expected after the acquisition (Note). In February 2024, the property received the "Rank A" certification under CASBEE for Real Estate, a third-party certification system. This rating recognizes properties with high environmental performance and effective management, and it is expected to contribute to the initiatives of the Investment Corporation toward the realization of a low-carbon society.
The net operating income (NOI) yield, based on the expected acquisition price and appraisal NOI is 4.2%. After accounting for depreciation, the NOI yield is 3.4%. The expected unrealized gain, calculated from the appraisal value and expected acquisition price, is 310 million yen.

(2) HF TOKIWADAI RESIDENCE

The property to be acquired is a seven-minute walk from Tokiwadai Station on the Tobu Tojo Line. The location offers excellent transportation convenience with easy access to central Tokyo. The area surrounding Tokiwadai Station features the Tokiwadai Ginza Shopping Street, where a wide variety of stores and businesses are concentrated, providing a high level of living convenience.

The property to be acquired includes 14 units with a 25.73 m² to 25.77 m² 1R layout and 39 units with a 35.68-37.65 m² 1LDK layout (53 units in total). Demand is expected to be mainly from single-person households and DINKs. In terms of the level of the facilities provided, the property considers security with the installed automatic locks, security cameras, video intercoms and other equipment. Moreover, the building is equipped with separated baths and toilets, bathrooms with reheating function, bathroom dehumidifiers, electric toilet seats, home delivery boxes, and other features. Additionally, the rent gap, calculated based on the current rents and the estimated market rents, is -14.7%. These properties were completed in December 2022 during the COVID-19 pandemic, and further internal growth is expected after the acquisition (Note). In September 2024, the property received the highest rating of "Rank S" under CASBEE for Real Estate, a third-party certification system. This rating recognizes properties with high environmental performance and effective management, and it is expected to contribute to the initiatives of the Investment Corporation toward the realization of a low-carbon society.

The net operating income (NOI) yield, based on the expected acquisition price and appraisal NOI is 4.0%. After accounting for depreciation, the NOI yield is 3.3%. The expected unrealized gain, calculated from the appraisal value and expected acquisition price, is 490 million yen.

(3) HF AYASE RESIDENCE

The property to be acquired is a three-minute walk from Ayase Station on the JR Joban Line and Tokyo Metro Chiyoda Line. The location offers excellent transportation convenience with easy access to central Tokyo. The area surrounding Ayase Station features large supermarkets and a wide variety of restaurants, providing a high level of living convenience.

The property has a total of 44 units consisting of 44 units with 1K layout 26.72 ㎡ to 27.16 ㎡. Demand is expected to be mainly from single people. In terms of the level of the facilities provided, the property considers security with the installed automatic locks, security cameras, video intercoms and other equipment. Moreover, the building is equipped with bathroom dehumidifiers, electric toilet seats, home delivery boxes, and other features. Additionally, the rent gap, calculated based on the current rents and the estimated market rents, is -13.6%. These properties were completed in March 2023 during the COVID-19 pandemic, and further internal growth is expected after the acquisition (Note). In August 2024, the property received the highest rating of "Rank S" under CASBEE for Real Estate, a third-party certification system. This rating recognizes properties with high environmental performance and effective management, and it is expected to contribute to the initiatives of the Investment Corporation toward the realization of a low-carbon society.

The net operating income (NOI) yield, based on the expected acquisition price and appraisal NOI is 4.3%. After accounting for depreciation, the NOI yield is 3.4%. The expected unrealized gain, calculated from the appraisal value and expected acquisition price, is 280 million yen.

(Note) The rent gap ratio of the Assets to be Acquired was calculated using the following formula

Rent gap = (monthly contract rent per tsubo for the assets to be acquired − market rent) ÷ monthly contract rent per tsubo for the assets to be acquired × 100

The market rent is the unit rent, including common expenses, that Tokyu Housing Lease Co., Ltd.

deems fair as the new contract rent level for the assets to be acquired as of September 2025. The monthly contract rent per tsubo is calculated by dividing the total amount of monthly rent specified in the lease agreements for the assets to be acquired, valid as of October 2025, by the total leased area of the assets.

3. Details of the Assets to be Acquired

Property number / Property name		Re-118 HF SHIMO-AKATSUKA RESIDENCE	
Type of asset		Real estate trust beneficiary right	
		SMBC Trust Bank Ltd.	
		From December 23, 2025 to December 31, 2035	
Location (Note 1)		(Building address on real estate registry) 830-2, Kita-machi, Nerima-ku, Tokyo, and 3 others (Lot number) 3-15-11, Kita-machi, Nerima-ku, Tokyo	
Land	Form of ownership	Ownership	
	Area (Note 1)	651.18 ㎡	
	Use district (Note 2)	Neighborhood commercial district	Quasi-industrial district
	Building coverage ratio (Note 3)	80%	60%
	Floor area ratio (Note 4)	300%	200%
Building	Form of ownership	Ownership	
	Use (Note 1)	Residential complex	
	Structure/Floors (Note 1)	Reinforced concrete flat roof 6 floors above ground	
	Total floor space (Note 1)	1,805.09 ㎡	
	Construction completion date (Note 1)	October 21, 2021	
Collateral		None	
Property management company		Tokyu Housing Lease Corporation	
Master lease company		Tokyu Housing Lease Corporation	
Master lease type		Pass through	
Tenant details (Note 5)			
	Total leasable units	46	
	Total leased units	41	
	Total rent income	61,788 thousand yen	
	Leasehold and security deposits	6,083 thousand yen	
	Total leased floor space	1,318.08 ㎡	
	Total leasable floor space	1,501.01 ㎡	
	Occupancy rates (Based on Floor Space)	87.8%	
NOI yield (Note 6)		4.2%	
Outline of the engineering report		Survey company	ERI SOLUTION CO., LTD.
		Survey date	October 16, 2025
		Replacement value	496,000 thousand yen
		Probable maximum loss (PML)	5.3%
		Long-term repairs (next 15 years)	51,830 thousand yen
Overview of real estate appraisal report		Appraiser	DAIWA REAL ESTATE APPRAISAL CO.,LTD.

	Value date	December 1, 2025
	Appraisal value	1,910,000 thousand yen
Other items of special note	-	

(Note 1) "Location (excluding indication of residential address)," "Use," "Structure/Floor" "Total floor space" and "Construction completion date" are as stated in the real estate registry.

(Note 2) "Use district" is the type of use district as listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.

(Note 3) "Building Coverage Ratio" is the ratio of the building area of the building to the site area as stipulated in Article 53 of the Building Standards Act, and is a figure determined by city planning according to zoning and other factors. The weighted average Building Coverage Ratio for the assets scheduled to be acquired is 76.69%.

(Note 4) The "Floor area ratio" is the ratio of the total floor space of the building to the site area as stipulated in Article 52 of the Building Standards Act, and is a figure determined by city planning according to zoning and other factors. For the assets scheduled to be acquired, the ratio is 300% for Neighborhood commercial districts and 200% for Quasi-industrial districts, with a weighted average of 283.45%.

(Note 5) Figures in "Tenant details" are as October 31, 2025. Furthermore, "Total rent income" is the annualized figure (multiplied by 12) of the monthly rent (including common expenses but not including fees for the usage of parking, storage rooms and such as well as consumption tax), based on lease agreements and sub-leasing agreements concluded between the seller and end tenants, with amounts below a thousand yen round off.

(Note 6) "NOI yield" indicates the NOI yield calculated by using the net operating income (NOI) for the 12 months, which serves as the assumption for the value indicated by the income approach under the direct capitalization method shown in the appraisal report for the property, and is rounded to the first decimal place.

Property number/Property name		Re-119 HF TOKIWADAI RESIDENCE
Type of asset		Real estate trust beneficiary right
Trustee (Planned)		SMBC Trust Bank Ltd.
Trust term (Planned)		From December 23, 2025 to December 31, 2035
Location (Note 1)		(Building address on real estate registry) 1-2-7, Minami-Tokiwadai, Itabashi-ku, Tokyo, and 2 others (Lot number) 1-2-8, Minami-Tokiwadai, Itabashi-ku, Tokyo
Land	Form of ownership	Ownership
	Area (Note 1)	596.31 ㎡
	Use district (Note 2)	Neighborhood commercial district
	Building coverage ratio (Note 3)	80%
	Floor area ratio (Note 4)	300%
Building	Form of ownership	Ownership
	Use (Note 1)	Residential complex
	Structure/Floors (Note 1)	Reinforced concrete flat roof 8 floors above ground
	Total floor space (Note 1)	1,893.97 ㎡
	Construction completion date (Note 1)	December 21, 2022
Collateral		None
Property management company		Tokyu Housing Lease Corporation
Master lease company		Tokyu Housing Lease Corporation
Master lease type		Pass through
Tenant details (Note 5)		
	Total leasable units	53
	Total leased units	45
	Total rent income	70,428 thousand yen
	Leasehold and security deposits	6,310 thousand yen
	Total leased floor space	1,480.71 ㎡

	Total leasable floor space	1,769.81 ㎡	
	Occupancy rates (Based on floor space)	83.6%	
NOI yield (Note 6)		4. 0%	
Outline of the engineering report		Survey company	ERI SOLUTION CO., LTD.
		Survey date	October 16, 2025
		Replacement value	551,000 thousand yen
		Probable maximum loss (PML)	5.8%
		Long-term repairs (next 15 years)	38,940 thousand yen
Overview of real estate appraisal report		Appraiser	DAIWA REAL ESTATE APPRAISAL CO.,LTD.
		Value date	December 1, 2025
		Appraisal value	2,470,000 thousand yen
Other items of special note		・ The block wall and part of a pole and its foundation from the southeastern adjacent property encroach on the Asset to be Acquired. A memorandum has been concluded regarding the crossing of the boundary.	

(Note 1) "Location (excluding indication of lot number)," "Area," "Use," "Structure/Floors" "Total floor space" and "Construction completion date" are as stated in the real estate registry.

(Note 2) "Use district" is the type of use district as listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.

(Note 3) "Building coverage ratio" is the ratio of building area to site area as stipulated in Article 53 of the Building Standards Act, and is a figure determined by city planning according to zoning and other factors. The property is a fireproof building located in a fire prevention district, so the building coverage ratio has been relaxed to 100%.

(Note 4) The "Floor area ratio" is the ratio of the total floor space of the building to the site area as stipulated in Article 52 of the Building Standards Act.

(Note 5) Figures in "Tenant details" are as of October 31, 2025 and the amounts are rounded down to the nearest thousand yen. Furthermore, "Total rent income" is the annualized figure (multiplied by 12) of the monthly rent (including common expenses but not including fees for the usage of parking, storage rooms and such as well as consumption tax), based on lease agreements or sub-leasing agreements concluded between the seller and end tenants.

(Note 6) "NOI yield" indicates the NOI yield calculated by using the net operating income (NOI) for the 12 months, which serves as the assumption for the value indicated by the income approach under the direct capitalization method shown in the appraisal report for the Asset to be Acquired, and is rounded to the first decimal place.

Property number/Property name		Re-120 HF AYASE RESIDENCE
Type of asset		Real estate trust beneficiary right
Trustee (Planned)		SMBC Trust Bank Ltd.
Trust term (Planned)		From December 23, 2025 to December 31, 2035
Location (Note 1)		(Building address on real estate registry) 4-8-4, Kosuge, Katsushika-ku, Tokyo, and 2 others (Lot number) 4-8-8, Kosuge, Katsushika-ku, Tokyo
Land	Form of ownership	Ownership
	Area (Note 1)	328.58 ㎡
	Use district (Note 2)	Commercial district
	Building coverage ratio (Note 3)	80%
	Floor area ratio (Note 4)	400%
Building	Form of ownership	Ownership
	Use (Note 1)	Residential complex
	Structure/Floors (Note 1)	Reinforced concrete flat roof 12 floors above ground
	Total floor space (Note 1)	1,447.42 ㎡

	Construction completion date (Note 1)	March 9, 2023	
Collateral		None	
Property management company		Tokyu Housing Lease Corporation	
Master lease company		Tokyu Housing Lease Corporation	
Master lease type		Pass through	
Tenant details (Note 5)			
	Total leasable units	44	
	Total leased units	43	
	Total rent income	57,720 thousand yen	
	Leasehold and security deposits	6,667 thousand yen	
	Total leased floor space	1,158.64 ㎡	
	Total leasable floor space	1,185.36 ㎡	
	Occupancy rates (Based on floor space)	97.7%	
NOI yield (Note 6)		4. 3%	
Outline of the engineering report		Survey company	ERI SOLUTION CO., LTD.
		Survey date	October 17, 2025
		Replacement value	430,000 thousand yen
		Probable maximum loss (PML)	8.8%
		Long-term repairs (next 15 years)	37,990 thousand yen
Overview of real estate appraisal report		Appraiser	DAIWA REAL ESTATE APPRAISAL CO.,LTD.
		Value date	December 1, 2025
		Appraisal value	1,530,000 thousand yen
Other items of special note		-	

(Note 1) "Location (excluding indication of lot number)," "Area," "Use," "Structure/Floors" "Total floor space" and "Construction completion date" are as stated in the real estate registry.

(Note 2) "Use district" is the type of use district as listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.

(Note 3) "Building coverage ratio" is the ratio of building area to site area as stipulated in Article 53 of the Building Standards Act, and is a figure determined by city planning according to zoning and other factors.

(Note 4) The "Floor area ratio" is the ratio of the total floor space of the building to the site area as stipulated in Article 52 of the Building Standards Act.

(Note 5) Figures in "Tenant details" are as of October 31, 2025 and the amounts are rounded down to the nearest thousand yen. Furthermore, "Total rent income" is the annualized figure (multiplied by 12) of the monthly rent (including common expenses but not including fees for the usage of parking, storage rooms and such as well as consumption tax), based on lease agreements or sub-leasing agreements concluded between the seller and end tenants.

(Note 6) "NOI yield" indicates the NOI yield calculated by using the net operating income (NOI) for the 12 months, which serves as the assumption for the value indicated by the income approach under the direct capitalization method shown in the appraisal report for the Asset to be Acquired, and is rounded to the first decimal place.

4. Overview of the seller

The seller is a domestic specified purpose company, but its identity will not be disclosed as consent could not be obtained. The seller is not a party that has a special interest relationship with the Investment Corporation or the Asset Management Company.

5. Outlook

For the impact of the Acquisition on the management status forecast for the fiscal period ending May 2026 (the 49th Fiscal Period) published in the 47th Fiscal Period Financial Report dated July 16, 2025 is minor, and the

management status forecasts will remain unchanged.

6. Overview of the appraisal report

Property number / Property name				Re-118 HF SHIMO-AKATSUKA RESIDENCE	
Appraisal value				1,910,000 thousand yen	
Appraiser				DAIWA REAL ESTATE APPRAISAL CO.,LTD.	
Value date				December 1, 2025	
Item				Content (thousand yen) (Note)	Overview, etc.
Value				1,910,000	Appraised by verifying the value by the direct capitalization method, using the value by the DCF method as the standard.
	Value indicated by the direct capitalization method approach			1,940,000	
		Effective gross income		80,463	
			Potential total profits	83,776	Recorded based on new rental levels for similar properties with the same demand and supply as well as their trends and taking into account the medium- to long-term competitiveness of the target real estate.
			Losses from vacancies, etc.	3,313	Recorded after consideration of the competitiveness of the target property and other factors based on the typical vacancy rates of similar properties.
		Operating expenses		13,626	
			Management fees	2,779	Appraised after referencing the maintenance and management fees of similar properties and estimated contract amount.
			Property management fee	1,433	Posted based on the MLPM contract offer.
			Utilities expenses	817	Appraised based on past records, etc.
			Maintenance and repair cost	1,095	Recorded based on repair expenses described in the engineering report with verification using the level of the cost of similar properties. Additionally, tenant replacement expenses were assess and recorded based on the levels of similar properties and, considering the tenant replacement ratio.
			Tenant advertisement expenses, etc.	2,795	Appraised in reference to tenant-seeking costs of comparable real estate.
			Public charges and taxes	4,003	Appraised based on actual amounts and recorded in consideration of land price trends and burden levels, etc.
			Casualty insurance premiums	99	With reference to insurance premiums for similar properties, an amount equivalent to 0.02% of building replacement cost was recorded.
			Other expenses	603	Appraised a reserve fund using the levels for similar properties as a reference and recorded internet expenses, etc. based on actual amounts.
		Net operating income (NOI)		66,836	
		Interest on lump-sum payments		62	The investment yield is assessed to be 1.0% after comprehensively considering both the investment and procurement.
		Capital expenditures		2,986	Of the repair and renewal expenses stated in the engineering report, posted the average annual renewal expenses over 15 years.
		Net cash flow (NCF)		63,912	
		Capitalization rate		3.3%	Appraised after comprehensively taking into account criteria of the location, building and other factors of the target real estate as well as examples of transactions of similar properties.
	Value indicated by the discounted cash flow method approach			1,900,000	
		Discount rate		3.0%	Appraised by comparing with the discount rate related to the transactions of similar properties, investment yields of other financial products.
		Terminal capitalization rate		3.4%	Appraised after taking into account the marketability of the target real estate upon the expiration of the holding period based on the capitalization rate.
Value indicated by the cost approach using the cost accounting method				1,890,000	
	Percentage of land			74.4%	
	Percentage of building			25.6%	

Other notable items regarding the appraisal as stated by the appraiser	—

(Note) The balance above is based on that in the appraisal report and is not that estimates of the Investment Corporation or the Asset Management Company. The same will apply below.

Property number / Property name				Re-119 HF TOKIWADAI RESIDENCE	
Appraisal value				2,470,000 thousand yen	
Appraiser				DAIWA REAL ESTATE APPRAISAL CO.,LTD.	
Value date				December 1, 2025	
Item				Content (thousand yen) (Note)	Overview, etc.
Value				2,470,000	Appraised by verifying the value by the direct capitalization method, using the value by the DCF method as the standard.
	Value indicated by the direct capitalization method approach			2,500,000	
		Effective gross income		93,925	
			Potential total profits	98,423	Recorded based on new rental levels for similar properties with the same demand and supply as well as their trends and taking into account the medium- to long-term competitiveness of the target real estate.
			Losses from vacancies, etc.	4,498	Recorded after consideration of the competitiveness of the target property and other factors based on the typical vacancy rates of similar properties.
		Operating expenses		14,353	
			Management fees	2,249	Appraised after referencing the maintenance and management fees of similar properties and estimated contract amount.
			Property management fee	1,673	Posted based on the MLPM contract offer.
			Utilities expenses	642	Appraised based on past records, etc.
			Maintenance and repair cost	1,144	Recorded based on repair expenses described in the engineering report with verification using the level of the cost of similar properties. Additionally, tenant replacement expenses were assess and recorded based on the levels of similar properties and, considering the tenant replacement ratio.
			Tenant advertisement expenses, etc.	3,268	Appraised in reference to tenant-seeking costs of comparable real estate.
			Public charges and taxes	4,238	Appraised based on actual amounts and recorded in consideration of land price trends and burden levels, etc.
			Casualty insurance premiums	110	With reference to insurance premiums for similar properties, an amount equivalent to 0.02% of building replacement cost was recorded.
			Other expenses	1,027	Appraised a reserve fund using the levels for similar properties as a reference and recorded internet expenses, etc. based on actual amounts.
		Net operating income (NOI)		79,571	
		Interest on lump-sum payments		72	The investment yield is assessed to be 1.0% after comprehensively considering both the investment and procurement.
		Capital expenditures		2,145	Of the repair and renewal expenses stated in the engineering report, posted the average annual renewal expenses over 15 years.
		Net cash flow (NCF)		77,498	
		Capitalization rate		3.1%	Appraised after comprehensively taking into account criteria of the location, building and other factors of the target real estate as well as examples of transactions of similar properties.
	Value indicated by the discounted cash flow method approach			2,450,000	
		Discount rate		2.8%	Appraised by comparing with the discount rate related to the transactions of similar properties, investment yields of other financial products.
		Terminal capitalization rate		3.2%	Appraised after taking into account the marketability of the target real estate upon the expiration of the holding period based on the capitalization rate.
Value indicated by the cost approach using the cost accounting method				2,340,000	
	Percentage of land			76.0%	

Percentage of building	24.0%	
Other notable items regarding the appraisal as stated by the appraiser	—	

Property number / Property name				Re-120 HF AYASE RESIDENCE	
Appraisal value				1,530,000 thousand yen	
Appraiser				DAIWA REAL ESTATE APPRAISAL CO.,LTD.	
Value date				December 1, 2025	
Item				Content (thousand yen) (Note)	Overview, etc.
Value				1,530,000	Appraised by verifying the value by the direct capitalization method, using the value by the DCF method as the standard.
	Value indicated by the direct capitalization method approach			1,550,000	
		Effective gross income		64,621	
			Potential total profits	67,289	Recorded based on new rental levels for similar properties with the same demand and supply as well as their trends and taking into account the medium- to long-term competitiveness of the target real estate.
			Losses from vacancies, etc.	2,667	Recorded after consideration of the competitiveness of the target property and other factors based on the typical vacancy rates of similar properties.
		Operating expenses		11,206	
			Management fees	2,324	Appraised after referencing the maintenance and management fees of similar properties and estimated contract amount.
			Property management fee	1,152	Posted based on the MLPM contract offer.
			Utilities expenses	516	Appraised based on past records, etc.
			Maintenance and repair cost	865	Recorded based on repair expenses described in the engineering report with verification using the level of the cost of similar properties. Additionally, tenant replacement expenses were assess and recorded based on the levels of similar properties and, considering the tenant replacement ratio.
			Tenant advertisement expenses, etc.	2,277	Appraised in reference to tenant-seeking costs of comparable real estate.
			Public charges and taxes	3,454	Appraised based on actual amounts and recorded in consideration of land price trends and burden levels, etc.
			Casualty insurance premiums	86	With reference to insurance premiums for similar properties, an amount equivalent to 0.02% of building replacement cost was recorded.
			Other expenses	532	Appraised a reserve fund using the levels for similar properties as a reference and recorded internet expenses, etc. based on actual amounts.
		Net operating income (NOI)		53,414	
		Interest on lump-sum payments		50	The investment yield is assessed to be 1.0% after comprehensively considering both the investment and procurement.
		Capital expenditures		2,156	Of the repair and renewal expenses stated in the engineering report, posted the average annual renewal expenses over 15 years.
		Net cash flow (NCF)		51,308	
		Capitalization rate		3.3%	Appraised after comprehensively taking into account criteria of the location, building and other factors of the target real estate as well as examples of transactions of similar properties.
	Value indicated by the discounted cash flow method approach			1,520,000	
		Discount rate		3.0%	Appraised by comparing with the discount rate related to the transactions of similar properties, investment yields of other financial products.
		Terminal capitalization rate		3.4%	Appraised after taking into account the marketability of the target real estate upon the expiration of the holding period based on the capitalization rate.
Value indicated by the cost approach using the cost accounting method				1,590,000	
	Percentage of land			72.5%	

	Percentage of building	27.5%	
Other notable items regarding the appraisal as stated by the appraiser		—	

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

【Attachment】

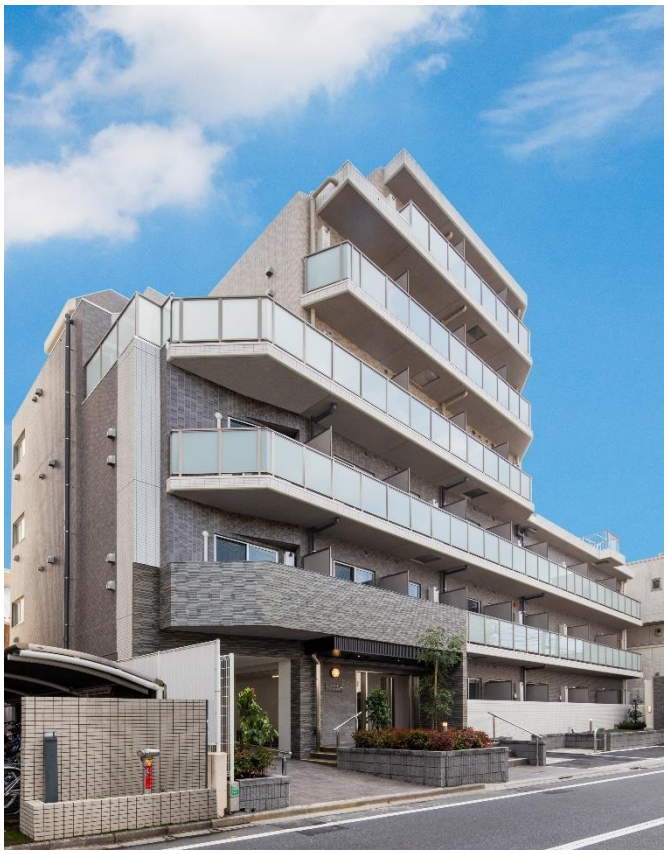
(Attachment 1) Pictures and maps of the Assets to be Acquired

(Attachment 2) Portfolio list after the Acquisition of the properties

(Attachment 1) Pictures and maps of the Assets to be Acquired

Re-118 HF SIMO-AKATSUKA RESIDENCE

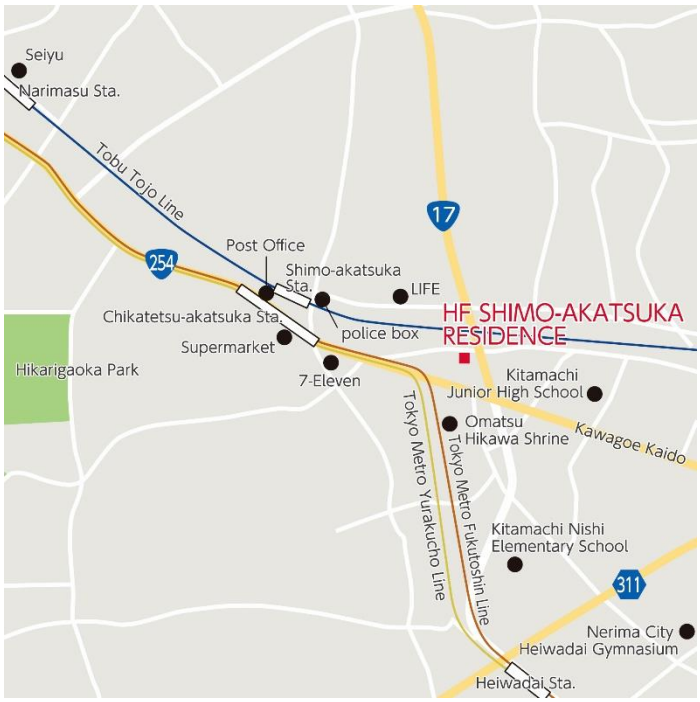
(Pictures)







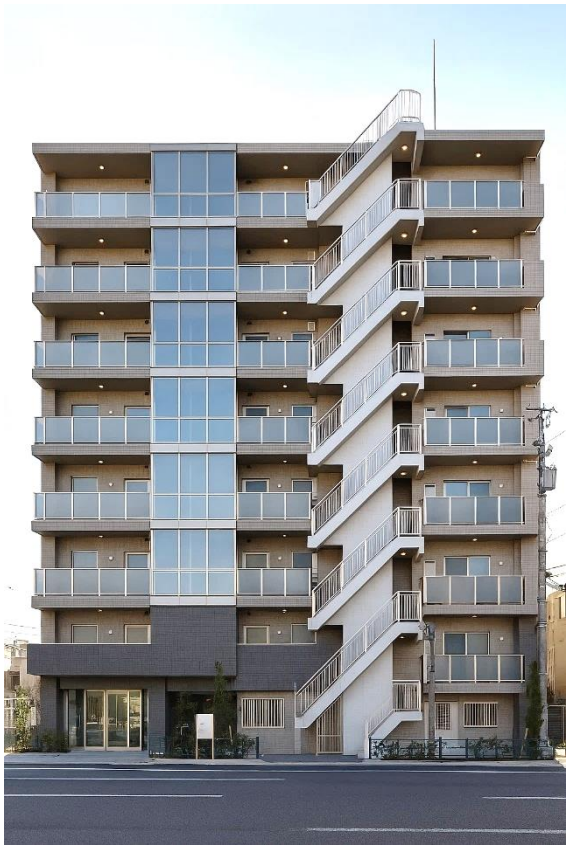
(Map)





Re-119 HF TOKIWADAI RESIDENCE

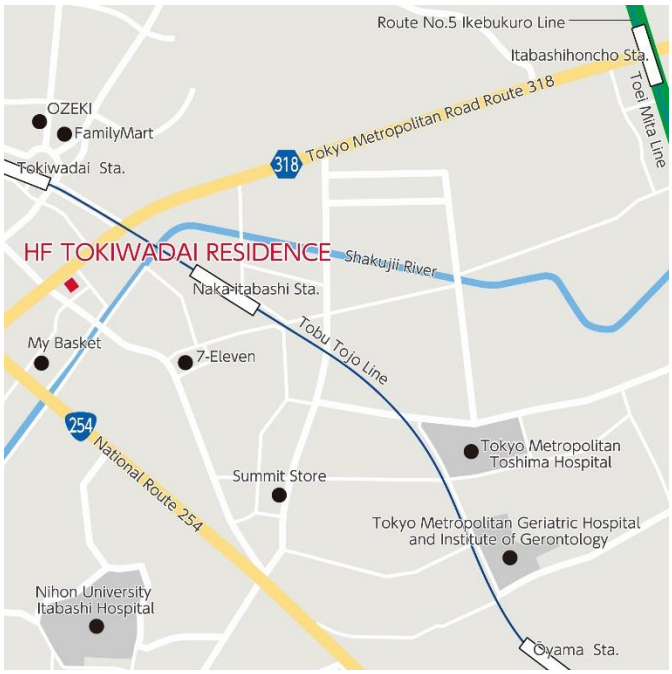
(Pictures)







(Map)





Re-120 HF AYASE RESIDENCE

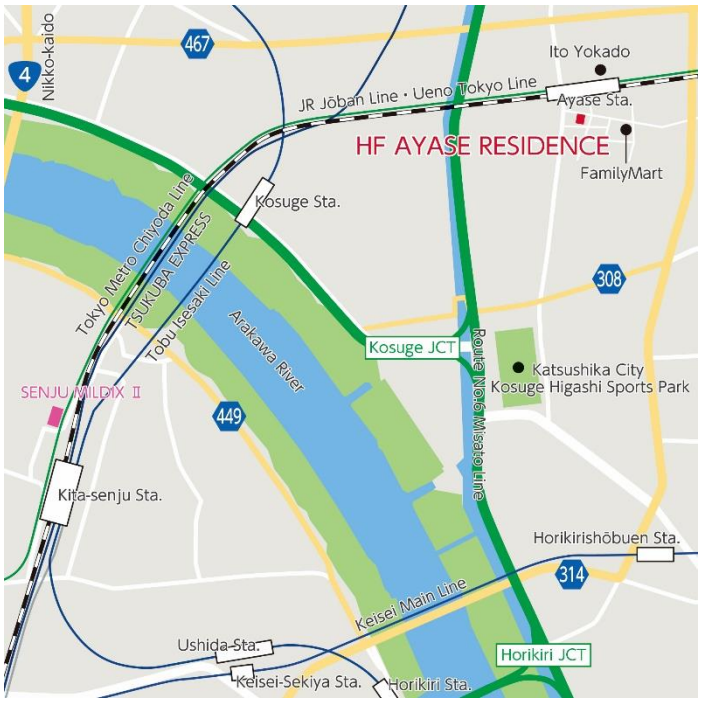
(Pictures)







(Map)





(Attachment 2) Portfolio list after the Acquisition of the properties

	Property No.	Property Name	Location	Investment Area (Note 1)	(Expected) Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Office	Of-05	SUITENGU HEIWA BUILDING	Chuo-ku, Tokyo	I	1,550	0.59
	Of-06	HF MONZENNAKACHO BUILDING	Koto-ku, Tokyo	I	2,500	0.95
	Of-08	HF TAMEIKE BUILDING	Minato-ku, Tokyo	I	2,700	1.03
	Of-11	HF NIHONBASHI ODENMACHO BUILDING	Chuo-ku, Tokyo	I	2,150	0.82
	Of-12	HF HATCHOBORI BUILDING	Chuo-ku, Tokyo	I	3,092	1.18
	Of-17	HATCHOBORI MF BUILDING	Chuo-ku, Tokyo	I	1,110	0.42
	Of-18	M2 HARAJUKU	Shibuya-ku, Tokyo	I	3,418	1.30
	Of-20	FUNABASHI FACE BUILDING	Funabashi City, Chiba	II	3,900	1.48
	Of-21	ADESSO NISHIAZABU	Minato-ku, Tokyo	I	640	0.24
	Of-23	HF IKEBUKURO BUILDING	Toshima-ku, Tokyo	I	1,314	0.50
	Of-24	HF YUSHIMA BUILDING	Bunkyo-ku, Tokyo	I	1,624	0.62
	Of-25	KAYABACHO HEIWA BUILDING	Chuo-ku, Tokyo	I	4,798	1.82
	Of-27	KOBE KYUKYORYUCHI HEIWA BUILDING	Kobe City, Hyogo	III	2,310	0.88
	Of-29	SAKAE MINAMI HEIWA BUILDING	Nagoya City, Aichi	III	1,580	0.60
	Of-30	HF SAKURADORI BUILDING	Nagoya City, Aichi	III	4,900	1.86
	Of-32	HF SENDAI HONCHO BUILDING	Sendai City, Miyagi	III	2,700	1.03
	Of-33	HF UENO BUILDING	Taito-ku, Tokyo	I	3,400	1.29
	Of-35	HF KUDAN MINAMI BUILDING	Chiyoda-ku, Tokyo	I	2,720	1.03
	Of-36	HF KANDA OGAWAMACHI BUILDING	Chiyoda-ku, Tokyo	I	3,150	1.20
	Of-37	NISSO 5 BUILDING	Yokohama City, Kanagawa	II	3,100	1.18
	Of-38	ACROSS SHINKAWA BUILDING	Chuo-ku, Tokyo	I	3,750	1.43
	Of-39	SENJU MILDIX II	Adachi-ku, Tokyo	I	1,650	0.63
	Of-40	ARK Mori Building	Minato-ku, Tokyo	I	3,085	1.17
	Of-41	Nihonbashi Horidomecho First	Chuo-ku, Tokyo	I	2,140	0.81
	Of-42	Southern Sky Tower Hachioji	Hachioji City, Tokyo	II	1,600	0.61
	Of-43	HAMACHO HEIWA BUILDING	Chuo-ku, Tokyo	I	3,100	1.18
	Of-44	KINSHICHO SQUARE BUILDING	Sumida-ku, Tokyo	I	2,840	1.08
	Of-45	HF NIHONBASHI KABUTOCHO BUILDING	Chuo-ku, Tokyo	I	3,580	1.36
	Of-46	HF SENDAI ICHIBANCHO BUILDING	Sendai City, Miyagi	III	2,501	0.95

	Property No.	Property Name	Location	Investment Area (Note 1)	(Expected) Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Office	Of-47	OSAKI CN BUILDING	Shinagawa-ku, Tokyo	I	5,160	1.96
	Of-48	Faret East Building	Tachikawa City, Tokyo	II	1,610	0.61
	Of-49	HF ESAKA BUILDING	Suita City, Osaka	III	2,500	0.95
	Of-50	Shinsaibashi FRONT Building	Osaka City, Osaka	III	7,300	2.77
	Of-51	SAKAE CENTER BUILDING	Nagoya-City, Aichi	III	4,000	1.52
	Of-52	IWAMOTOCHO TWIN BUILDING	Chiyoda-ku, Tokyo	I	3,380	1.28
	Of-53	IWAMOTOCHO TWIN SAKAE BUILDING	Chiyoda-ku, Tokyo	I	400	0.15
	Of-54	HF NAGOYA NISHIKI BUILDING	Nagoya-City, Aichi	III	2,100	0.80
	Of-55	Kitahama 1-Chome Heiwa Building	Osaka City, Osaka	III	4,500	1.71
	Of-56	Heiwa Real Estate Kitahama Building	Osaka City, Osaka	III	1,650	0.63
	Of-57	HF YOKOHAMA YAMASHITA BUILDING	Nagoya-City, Aichi	II	3,800	1.44
	Of-58	HF ESAKA EKIMAE BUILDING	Suita-City, Osaka	III	5,001	1.90
	Of-59	HF KITA NIJO BUILDING	Sapporo-City, Hokkaido	III	1,535	0.58
	Of-60	Park East Sapporo	Sapporo-City, Hokkaido	III	4,140	1.57
	Of-61	HF KYOMACHIBORI BUILDING	Osaka City, Osaka	III	3,385	1.29
	Of-62	LUCID SQUARE SEMBA	Osaka City, Osaka	III	4,720	1.79
Office Subtotal					**132,083**	**50.20**
Residence	Re-05	HF MEGURO RESIDENCE	Meguro-ku, Tokyo	I	660	0.25
	Re-09	HF KASAI RESIDENCE	Edogawa-ku, Tokyo	I	650	0.25
	Re-11	HF WAKABAYASHI-KOEN RESIDENCE	Setagaya-ku, Tokyo	I	3,610	1.37
	Re-12	HF HIMONYA RESIDENCE	Meguro-ku, Tokyo	I	1,560	0.59
	Re-14	HF MINAMIAZABU RESIDENCE	Minato-ku, Tokyo	I	1,370	0.52
	Re-16	HF GAKUGEIDAIGAKU RESIDENCE	Meguro-ku, Tokyo	I	1,000	0.38
	Re-17	HF HIGASHIKANDA RESIDENCE	Chiyoda-ku, Tokyo	I	1,100	0.42
	Re-18	HF HIGASHINIHONBASHI RESIDENCE	Chuo-ku, Tokyo	I	1,210	0.46
	Re-19	HF NERIMA RESIDENCE	Nerima-ku, Tokyo	I	690	0.26
	Re-20	HF SHIROKANETAKANAWA RESIDENCE	Minato-ku, Tokyo	I	4,030	1.53
	Re-21	HF MEIDAIMAE RESIDENCE	Setagaya-ku, Tokyo	I	1,070	0.41
	Re-22	HF NIHONBASHI RESIDENCE	Chuo-ku, Tokyo	I	1,130	0.43
	Re-23	HF KAMISHAKUJII RESIDENCE	Nerima-ku, Tokyo	I	950	0.36

	Property No.	Property Name	Location	Investment Area (Note 1)	(Expected) Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Residence	Re-24	HF KINSHICHO RESIDENCE	Sumida-ku, Tokyo	I	1,100	0.42
	Re-25	HF GINZA RESIDENCE EAST	Chuo-ku, Tokyo	I	5,940	2.26
	Re-26	HF SHIN-YOKOHAMA RESIDENCE	Yokohama City, Kanagawa	II	3,350	1.27
	Re-30	HF MAGOME RESIDENCE	Ota-ku, Tokyo	I	1,630	0.62
	Re-31	HF GAKUGEIDAIGAKU RESIDENCE II	Meguro-ku, Tokyo	I	1,650	0.63
	Re-33	HF KAMEIDO RESIDENCE	Koto-ku, Tokyo	I	1,050	0.40
	Re-34	HF TANASHI RESIDENCE	Nishi-tokyo City, Tokyo	II	911	0.35
	Re-38	LA RESIDENCE DE SHIROKANEDAI	Minato-ku, Tokyo	I	730	0.28
	Re-39	HF GINZA RESIDENCE EAST II	Chuo-ku, Tokyo	I	1,460	0.55
	Re-40	HF HATCHOBORI RESIDENCE II	Chuo-ku, Tokyo	I	1,890	0.72
	Re-42	HF GINZA RESIDENCE	Chuo-ku, Tokyo	I	944	0.36
	Re-43	HF KOMAZAWA-KOEN RESIDENCE TOWER	Setagaya-ku, Tokyo	I	6,520	2.48
	Re-47	HF MARUNOUCHI RESIDENCE	Nagoya City, Aichi	III	624	0.24
	Re-48	HF HIRAO RESIDENCE	Fukuoka City, Fukuoka	III	1,780	0.68
	Re-49	HF KAWARAMACHI NIJO RESIDENCE	Kyoto City, Kyoto	III	534	0.20
	Re-53	HF SHIJO KAWARAMACHI RESIDENCE	Kyoto City, Kyoto	III	1,820	0.69
	Re-54	LA RESIDENCE DE SENDAGI	Bunkyo-ku, Tokyo	I	820	0.31
	Re-55	HF SENDAGI RESIDENCE	Bunkyo-ku, Tokyo	I	870	0.33
	Re-56	HF KOMAZAWA-KOEN RESIDENCE	Setagaya-ku, Tokyo	I	615	0.23
	Re-57	HF MUSASHIKOYAMA RESIDENCE	Shinagawa-ku, Tokyo	I	842	0.32
	Re-58	HF KOKUBUNJI RESIDENCE	Kokubunji City, Tokyo	II	839	0.32
	Re-59	HF HISAYAODORI RESIDENCE	Nagoya City, Aichi	III	1,080	0.41
	Re-60	HF KARASUMA KURAMAGUCHI RESIDENCE	Kyoto City, Kyoto	III	572	0.22
	Re-61	HF NISHI-SHINJUKU RESIDENCE WEST	Shinjuku-ku, Tokyo	I	1,990	0.76
	Re-62	HF NISHI-SHINJUKU RESIDENCE EAST	Shinjuku-ku, Tokyo	I	1,170	0.44
	Re-65	HF KITA-YOBANCHO RESIDENCE	Sendai City, Miyagi	III	809	0.31
	Re-66	HF ATAGOBASHI RESIDENCE	Sendai City, Miyagi	III	684	0.26
	Re-68	HF ASAKUSABASHI RESIDENCE	Taito-ku, Tokyo	I	771	0.29
	Re-69	HF ICHIBANCHO RESIDENCE	Sendai City, Miyagi	III	834	0.32

	Property No.	Property Name	Location	Investment Area (Note 1)	(Expected) Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Residence	Re-70	HF HIGASHI-NAKANO RESIDENCE	Nakano-ku, Tokyo	I	942	0.36
	Re-72	HF WASEDA RESIDENCE	Shinjuku-ku, Tokyo	I	2,090	0.79
	Re-73	HF WASEDA RESIDENCE II	Shinjuku-ku, Tokyo	I	872	0.33
	Re-74	HF WAKAMATSU-KAWAA RESIDENCE	Shinjuku-ku, Tokyo	I	1,158	0.44
	Re-75	HF SENDAI RESIDENCE EAST	Sendai City, Miyagi	III	1,638	0.62
	Re-76	HF NISHI-KOEN RESIDENCE	Sendai City, Miyagi	III	1,310	0.50
	Re-77	HF BANSUI-DORI RESIDENCE	Sendai City, Miyagi	III	790	0.30
	Re-78	HF KANNAI RESIDENCE	Yokohama City, Kanagawa	II	1,800	0.68
	Re-79	HF MEIEKI-KITA RESIDENCE	Nagoya City, Aichi	III	2,160	0.82
	Re-80	HF HIGASHI-SAPPORO RESIDENCE	Sapporo City, Hokkaido	III	1,560	0.59
	Re-81	HF HAKATA-HIGASHI RESIDENCE	Fukuoka City, Fukuoka	III	880	0.33
	Re-82	HF SENDAI ITSUTSUBASHI RESIDENCE	Sendai City, Miyagi	III	850	0.32
	Re-83	HF TABATA RESIDENCE	Kita-ku, Tokyo	I	1,100	0.42
	Re-84	HF RYOGOKU RESIDENCE	Sumida-ku, Tokyo	I	1,400	0.53
	Re-85	HF HACHIOJI RESIDENCE	Hachioji City, Tokyo	II	1,120	0.43
	Re-86	HF MITA RESIDENCE II	Minato-ku, Tokyo	I	1,210	0.46
	Re-87	HF MONZEN-NAKACHO RESIDENCE	Koto-ku, Tokyo	I	945	0.36
	Re-88	HF MINAMI-SUNAMACHI RESIDENCE	Koto-ku, Tokyo	I	900	0.34
	Re-89	HF SENDAI NAGAMACHI RESIDENCE	Sendai City, Miyagi	III	1,030	0.39
	Re-90	HF SHOKOJI AKABANE RESIDENCE	Kita-ku, Tokyo	I	1,150	0.44
	Re-91	HF SENDAI HONCHO RESIDENCE	Sendai City, Miyagi	III	1,070	0.41
	Re-92	HF OHORI RESIDENCE BAYSIDE	Fukuoka City, Fukuoka	III	1,150	0.44
	Re-93	HF HAKATA-HIGASHI RESIDENCE II	Fukuoka City, Fukuoka	III	1,198	0.46
	Re-94	HF FUKUOKA RESIDENCE EAST	Fukuoka City, Fukuoka	III	1,180	0.45
	Re-95	HF SHOKOJI AKABANE RESIDENCE II	Kita-ku, Tokyo	I	1,690	0.64
	Re-96	HF YAHIRO RESIDENCE	Sumida-ku, Tokyo	I	1,220	0.46
	Re-97	HF SETAGAYAKAMIMACHI RESIDENCE	Setagaya-ku, Tokyo	I	700	0.27

	Property No.	Property Name	Location	Investment Area (Note 1)	(Expected) Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Residence	Re-98	HF SOKA RESIDENCE	Soka-City, Saitama	II	1,300	0.49
	Re-99	HF UENO IRIYA RESIDENCE	Taito-ku, Tokyo	I	900	0.34
	Re-100	HF TSUJIDO RESIDENCE	Fujisawa-City, Kanagawa	II	1,870	0.71
	Re-101	HF KAWAGUCHIEKIMAE RESIDENCE	Kawaguchi-City, Saitama	II	1,260	0.48
	Re-102	HF HIGASHIOGU RESIDENCE	Arakawa-ku, Tokyo	I	1,210	0.46
	Re-103	HF IMAIKE-MINAMI RESIDENCE	Nagoya-City, Aichi	III	860	0.33
	Re-104	HF FUSHIMI RESIDENCE	Nagoya-City, Aichi	III	610	0.23
	Re-105	HF NAKANO-SAKAUE RESIDENCE	Nakano-ku, Tokyo	I	1,050	0.40
	Re-106	HF UENO RESIDENCE EAST	Taito-ku, Tokyo	I	2,500	0.95
	Re-107	HF OMORIMACHI RESIDENCE	Ota-ku, Tokyo	I	1,200	0.46
	Re-108	HF KITASENJU RESIDENCE	Adachi-ku, Tokyo	I	2,510	0.95
	Re-109	HF HIKIFUNE RESIDENCE	Sumida-ku, Tokyo	I	1,380	0.52
	Re-110	HF MEGURO GYONINZAKA RESIDENCE	Meguro-ku, Tokyo	I	5,300	2.01
	Re-111	HF NISHI-SUGAMO RESIDENCE	Kita-ku, Tokyo	I	1,040	0.40
	Re-112	HF NISHI-SUGAMO RESIDENCE Ⅱ	Kita-ku, Tokyo	I	880	0.33
	Re-113	HF TOBU-NERIMA RESIDENCE	Itabashi-ku, Tokyo	I	1,050	0.40
	Re-114	HF RYOGOKU RESIDENCE EAST	Sumida-ku, Tokyo	I	880	0.33
	Re-115	HF OSHIAGE RESIDENCE	Sumida-ku, Tokyo	I	2,140	0.81
	Re-116	HF HIKIFUNE RESIDENCE EAST (Note 3)	Sumida-ku, Tokyo	I	970	0.37
	Re-117	HF OMORI RESIDENCE (Note 3)	Ota-ku, Tokyo	I	1,300	0.49
	Re-118	HF SHIMO-AKATSUKA RESIDENCE	Nerima-ku, Tokyo	I	1,600	0.61
	Re-119	HF TOKIWADAI RESIDENCE	Itabashi-ku, Tokyo	I	1,980	0.75
	Re-120	HF AYASE RESIDENCE	Katsushika-ku, Tokyo	I	1,250	0.48
Residence Subtotal					**131,013**	**49.80**
Portfolio Total					**263,096**	**100.00**

(Note 1) The Investment Area column entries are as follows:

Investment in the Primary Investment Area (The 23 Wards of Tokyo): I

Investment in the Secondary Investment Area (Tokyo, outside the Primary Investment Area), and major urban areas in Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture): II

Investment in the Regional Investment Area (Refers to major urban areas in the Metropolitan Area excluding the Primary Investment Area and the Secondary Investment Area. The "Metropolitan Area" is the Central Cities and the surrounding municipalities that are socially and economically connected to the Central Cities and the "Central Cities" of the Metropolitan Area are the 23 Wards of Tokyo and the government-designated cities.): III

(Note 2) Figures for the (Expected) Acquisition Price are rounded down to the nearest specified unit, and figures for the Investment Ratio are rounded to the second decimal place. Accordingly, the figures may not necessarily add up to the figures in the total columns.

(Note 3) Re-116 HF HIKIFUNE RESIDENCE EAST, Re-117 HF OMORI RESIDENCE are to be renamed on March 1, 2026. For details, please refer to "Notice Concerning Acquisition of Domestic Assets (HF HIKIFUNE RESIDENCE EAST and HF OMORI RESIDENCE)" released publicly on July 8, 2025.

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