HEIWA REAL ESTATE REIT, Inc.

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For Immediate Release

REIT Issuer
HEIWA REAL ESTATE REIT, Inc.
5-1 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo
Aya Motomura, Executive Director
(Securities Code: 8966)
Asset Management Company
HEIWA REAL ESTATE Asset Management CO., LTD.
Masanori Hirano, Representative Director, President and Chief Executive Officer
Inquiries: Naomi Kawasaki, General Manager of Planning & Finance Department
TEL. +81-3-3669-8771

Notice Concerning Early Repayment of Loan

HEIWA REAL ESTATE REIT, Inc. (the "Investment Corporation") announces that it has decided to make early repayment of the following loan before the due date in connection with the issuance of the new investment units, the details of which were described in the "Notice Concerning the Issuance of New Investment Units and Secondary Offering of Investment Units" released today.

Details

1. Loan subject to early repayment

Term Loan 86

Lender	Sumitomo Mitsui Banking Corporation
Loan balance	5,140 million yen
Early repayment amount	4,500 million yen (Note)
Loan balance after repayment	640 million yen (Note)
Drawdown date	March 2, 2026
Scheduled date of early repayment	June 1, 2026 (Note)
Principal repayment date	June 30, 2027

(Note) The "Early repayment amount" and the "Loan balance after repayment" in the above table respectively show a maximum amount that is expected to be repaid earlier than the schedule and a minimum balance after such repayment, which have been established based on the early repayment amount decided today. However, since it is planned that a part of the proceeds from the issuance of new investment units through public offering described in the "Notice Concerning the Issuance of New Investment Units and Secondary Offering of Investment Units" released today together with cash on hand, will be applied to early repayment, we may change the actual amount of this early repayment after taking into account the amount of proceeds, including the amount applied. In addition, the "Scheduled date of early repayment" shows the expected date of early repayment before the due date as of today, which we may change as well. If we decide to change the amount of early repayment before the due date and/or the expected date of such repayment, we will make an announcement separately. Furthermore, the loan subject to early repayment was procured on

Note: This press release was prepared to make an announcement to the early repayment of loan by the Investment Corporation. It has not been prepared to solicit investment whether in or outside Japan. The Investment Corporation requests that prospective investors be sure to read the prospectus for the issuance of new investment units and secondary offering of investment units as well as amendments thereto prepared by the Investment Corporation, and note that the investment decisions are made at their discretion and responsibility.

March 2, 2026 for the purpose of funding partially the acquisition of Nagoya Heiwa Building (quasi-co-ownership interest: 70%) and the related expenses.

Term Loan 86

Lender	Sumitomo Mitsui Banking Corporation
Loan balance	640 million yen (Note 1)
Early repayment amount	640 million yen (Note 2)
Loan balance after repayment	0 yen (Note 1) (Note 2)
Drawdown date	March 2, 2026
Scheduled date of early repayment	June 30, 2026 (Note 2)
Principal repayment date	June 30, 2027

(Note 1) The "Loan balance" and the "Loan balance after repayment" in the above table show the amounts assuming that the early repayment scheduled to be executed on June 1, 2026 as described above is carried out at the maximum amount. Since the early repayment scheduled to be executed on June 1, 2026 as described above may be changed after taking into account the amount of proceeds from the issuance of new investment units through public offering and other factors, the amounts shown in the "Loan balance" and the "Loan balance after repayment" may also be changed accordingly.

(Note 2) The "Early repayment amount" and the "Loan balance after repayment" in the above table respectively show a maximum amount that is expected to be repaid earlier than the schedule and a minimum balance after such repayment, which have been established based on the early repayment amount decided today. However, since it is planned that the proceeds from the issuance of new investment units through third-party allotment described in the "Notice Concerning the Issuance of New Investment Units and Secondary Offering of Investment Units" released today together with cash on hand, will be applied to early repayment, we may change the actual amount of this early repayment after taking into account the amount of proceeds, including the amount applied. In addition, the "Scheduled date of early repayment" shows the expected date of early repayment before the due date as of today, which we may change as well. If we decide to change the amount of early repayment before the due date and/or the expected date of such repayment, we will make an announcement separately.

2. Status of interest-bearing liabilities after the early repayment of loan

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

	Before the early repayment of loan	After the early repayment of loan	Increase / Decrease
Short-term loans	0	0	-
Long-term loans due within 1 year	15,515	15,515	-
Long-term loans	115,265	110,125	-5,140
Total loans	130,780	125,640	-5,140
Investment corporation bonds	7,900	7,900	-
Total interest-bearing liabilities	138,680	133,540	-5,140

(Note) The above figures are based on the assumption that all of the early repayment amount described in "1. Loan subject to early repayment" will be repaid early.

3. Other

The risks associated with the early repayment of loan as described above do not change from those detailed in "Investment Risks" in the securities registration statement submitted today and the periodic securities report (*yuka shoken hokokusho)* for the fiscal period ended November 2025 (48th Fiscal Period) submitted on February 25, 2026.

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

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