HEIWA REAL ESTATE REIT, Inc.

November 19, 2026

For Immediate Release

REIT Issuer
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Notice Concerning Early Repayment of Loan and Borrowing of Funds

HEIWA REAL ESTATE REIT, Inc. (the "Investment Corporation") announces today that it has decided to make early repayment of loan and to borrow funds, as described below.

Details

1. Details of early repayment

(1) Loan subject to early repayment

Term Loan 89

Lender	Sumitomo Mitsui Banking Corporation
Loan balance	2,900 million yen
Early repayment amount	2,900 million yen
Loan balance after repayment	0 yen
Drawdown date	August 7, 2026
Scheduled date of early repayment	December 1, 2026
Principal repayment date	June 30, 2027

(2) Source of funds for early repayment: A part of the proceeds from the disposition of HF SHIROKANETAKANAWA RESIDENCE described in the "Notice Concerning Acquisition and Disposition of Domestic Assets" dated October 27, 2026 and cash on hand.

Note: This press release was prepared to make an announcement to the early repayment of loan and borrowing of funds 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.

2. Borrowing of funds

(1) Details of borrowings

Term Loan 91 Tranche A

Lenders	Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited
Loan amount	1,450 million yen
Interest rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.440% (Note 1)
Drawdown date	November 27, 2026
Borrowing method	Borrowing based on the individual loan agreements with the above lenders scheduled to be concluded on November 25, 2026
Interest payment date	The last day of every month (the first interest payment date shall be December 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 28, 2031
Principal repayment method	Lump-sum repayment on the principal repayment date
Collateral and guarantee	Unsecured and unguaranteed

Term Loan 91 Tranche B

Lender	MUFG Bank, Ltd.
Loan amount	1,000 million yen
Interest rate	To be determined (fixed interest rate) (Note 2)
Drawdown date	November 27, 2026
Borrowing method	Borrowing based on the individual loan agreement with the above lender scheduled to be concluded on November 25, 2026
Interest payment date	The last day of January, April, July and October of each year (the first interest payment date shall be January 29, 2027) 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 28, 2031
Principal repayment method	Lump-sum repayment on the principal repayment date
Collateral and guarantee	Unsecured and unguaranteed

Term Loan 91 Tranche C

Lender	Mizuho Bank, Ltd.
Loan amount	1,000 million yen
Interest rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.560% (Note 1)
Drawdown date	November 27, 2026
Borrowing method	Borrowing based on the individual loan agreement with the above lender scheduled to be concluded on November 25, 2026
Interest payment date	The last day of every month (the first interest payment date shall be December 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, 2033

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Principal repayment method	Lump-sum repayment on the principal repayment date
Collateral and guarantee	Unsecured and unguaranteed

Term Loan 91 Tranche D

Lender	Aozora Bank, Ltd.
Loan amount	1,000 million yen
Interest rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.590% (Note 1)
Drawdown date	November 27, 2026
Borrowing method	Borrowing based on the individual loan agreement with the above lender scheduled to be concluded on November 25, 2026
Interest payment date	The last day of every month (the first interest payment date shall be December 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	May 31, 2034
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.jbatibor.or.jp/english/rate/).

(Note 2) The interest rate will be announced separately once it is determined.

(2) Reason for borrowings

The total amount of the above borrowings (4,450 million yen) will be used for part of the acquisition funds for HF SHIN-OSAKA RESIDENCE and HF NISHI-NIPPORI RESIDENCE, among the specified assets stated in the "Notice Concerning Acquisition and Disposition of Domestic Assets" dated October 27, 2026, as well as part of the associated expenses.

For details of the specified assets, please refer to the "Notice Concerning Acquisition and Disposition of Domestic Assets" dated October 27, 2026.

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

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

	Before the execution	After the execution	Increase / Decrease
Short-term loans	2,900	0	-2,900
Long-term loans due within 1 year	23,491	23,491	-
Long-term loans	108,699	113,149	4,450
Total loans	135,090	136,640	1,550
Investment corporation bonds	7,900	7,900	-
Total interest-bearing liabilities	142,990	144,540	1,550

(Note) "Before the execution" shows the amounts before the execution of the early repayment described in 1. above and the borrowing described in 2. above, and "After the execution" shows the amounts after all of them have been executed.

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4. Other

The risks associated with the early repayment and the borrowing of funds as described above do not change from those detailed in "Investment Risks" in the securities registration statement submitted today and the periodic securities report (*yukashoken hokokusho)* for the fiscal period ended May 2026 (49th Fiscal Period) submitted on August 28, 2026.

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

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