

Translation of Japanese Original

September 25, 2020

To All Concerned Parties

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Kenedix Office Investment Corporation
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(Securities Code: 8972)

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**Notice Concerning Debt Financing (Series 177) and
Execution of Interest Rate Swap Agreements**

Kenedix Office Investment Corporation (“the Investment Corporation”) has announced today, that the Investment Corporation decided to undertake the debt financing (total of 2,700 million yen) and the execution of interest rate swap agreements.

Please see below for the details.

1. Outline of Debt Financing

Series	Lender	Amount	Interest Rate (Note 1) (Note 2)	Contract Date	Drawdown Date	Principal Repayment Date (Note 1)	Collateral • Repayment Method
177-A	Sumitomo Mitsui Trust Bank, Limited	1,000 million yen	Base rate (JPY TIBOR for 3 months) +0.35000%	September 28, 2020	September 30, 2020	September 30, 2025	Unsecured, unguaranteed • Repayment of principal in full on maturity date
177-B	Sumitomo Mitsui Trust Bank, Limited	1,000 million yen	Base rate (JPY TIBOR for 3 months) +0.45000%			September 30, 2027	
177-C	Sumitomo Mitsui Trust Bank, Limited	700 million yen	Base rate (JPY TIBOR for 3 months) +0.60000%			September 30, 2030	

Note 1: The first interest payment is due at the end of December 2020, and on the last day of every 3 months thereafter with the principal repayment day. If each interest payment day or the principal repayment day is a non-business day, then the interest payment or the principal repayment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.

Note 2: The base rates that are applied during interest period for the interest due on each interest payment date shall be calculated based on Japanese Yen TIBOR for 3 months, which the JBATA releases two business days before each interest payment date.
The Japanese Yen TIBOR of the JBATA is available on the JBATA website (<http://www.jbatibor.or.jp/english/rate/>).

2. Purpose of Debt Financing

Series 177 is to apply the fund towards the repayment of Series 108 (2,700 million yen) with the principal repayment date of September 30, 2020.

3. Interest Rate Swap Agreements

(1) Purpose

For a hedge against possible increases in future interest rate.

(2)Details of Interest Rate Swap Agreements

Series		177-A	177-C	177-C
Counterparty		To be determined and announced upon determination		
Notional Amount		1,000 million yen	1,000 million yen	700 million yen
Interest Rate	Fixed Interest Rate for Payment (Note)	To be determined and announced upon determination	To be determined and announced upon determination	To be determined and announced upon determination
	Floating Interest Rate for Receipt	Base rate (JPY TIBOR for 3 months)		
Commencement Date		September 30, 2020		
Termination Date		September 30, 2025	September 30, 2027	September 30, 2030
Payment Date		The first payment is due at the end of December 2020, and on the last day of every 3 months thereafter with the termination date. (If each payment day is a non-business day, then the payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)		

4. Status of Borrowings and Investment Corporation Bonds after the Debt Financing (as of September 30, 2020)

(Millions of yen)

Classification	Balance before the Debt Financing	Balance after the Debt Financing	Difference
Short-Term Borrowings (Note 1)	13,500	13,500	0
Long-Term Borrowings (Note 2)	178,250	178,250	0
Total Borrowings	191,750	191,750	0
Investment Corporation Bonds	10,000	10,000	0
Total Borrowings and Investment Corporation Bonds	201,750	201,750	0

Note 1: Short-term borrowings refer to debt financing with a period less than or equal to one year from the drawdown date to the principal repayment date. However, the borrowings for which the period until the principal repayment date has surpassed one year because the principal repayment date after one year from the drawdown date is not a business day, and for which the principal repayment date has been moved to a different business day, are included in short-term borrowings.

Note 2: Long-term borrowings refer to debt financing with a period more than one year from the drawdown date to the principal repayment date.

5. Other

For risks concerning the repayment, etc. of the aforementioned debt financing, there are no significant changes to the “Investment Risks” as described in the Securities Report (submitted on July 30, 2020).

The Investment Corporation’s website: <https://www.kdo-reit.com/en/>

This notice is the English translation of the Japanese announcement on our website released on September 25, 2020. However, no assurance or warranties are given for the completeness or accuracy of this English translation.