

February 22, 2021

To All Concerned Parties

## REIT Issuer:

Kenedix Retail REIT Corporation

 Representative: Moyuru Watanabe, Executive Director  
 (Securities Code: 3453)

## Asset Manager:

Kenedix Real Estate Fund Management, Inc.

Representative: Masahiko Tajima, President &amp; CEO

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 Retail REIT Department

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Notice Concerning Debt Financing (Series 37) and Execution of Interest Rate Swap

Kenedix Retail REIT Corporation (“KRR”) announced today its decision to undertake debt financing (for a total of 6,200 million yen) and execute interest rate swap transaction as follows.

## 1. Purpose of debt financing

The proceeds of this debt financing are to be used for the repayment of the Borrowing Series 32-A (amount of JPY 6,200 million) with the repayment date of February 28, 2021. For details of the Series 32-A, please refer to “Notice Concerning Debt Financing (Series 32) and Execution of Interest Rate Swap” dated February 6, 2020.

## 2. Details of debt financing

Series	Lender	Amount (millions of yen)	Interest rate (Note 1)	Contract date	Drawdown date	Principal repayment date (Note 1)	Collateral / Repayment method
37-1	Sumitomo Mitsui Banking Corporation	2,400	Base rate (JBA JPY 3-month TIBOR) + 0.45000% (Note 2) (Note 3)	February 24, 2021	February 26, 2021	February 28, 2026	Unsecured, unguaranteed  Repayment of principal in full on maturity date
37-2	MUFG Bank, Ltd.	1,600					
37-3	Sumitomo Mitsui Trust Bank, Ltd.	550					
37-4	Resona Bank, Ltd.	500					
37-5	Aozora Bank, Ltd.	500					
37-6	Mizuho Bank, Ltd.	350					
37-7	Mizuho Trust & Banking Co., Ltd.	300					

(Notes)

- The interest payment will be made on the following business day in case such date falls on a day that is not a business day and the preceding business day in case such date falls in the next calendar month.
- The first interest payment will be made at the end of May 2021 and on the last day of every three months thereafter, with the last interest payment on the principal repayment day.
- The JBA JPY TIBOR is available on the JBA TIBOR Administration website (<http://www.jbatibor.or.jp/english/>).

## 3. Interest rate swap transaction

## (1) Purpose

KRR has decided to execute an interest rate swap transaction for the Series 37 as hedge against possible increases in future interest rates.

## (2) Details of expected interest rate swap transaction

Series		37-1	37-2	37-3	37-4	37-5	37-6	37-7
Counterparty		To be determined (Note)						
Notional amount (millions of yen)		2,400	1,600	550	500	500	350	300
Interest rates	Fixed interest rate for payment	To be determined (Note)						
	Floating interest rate for receipt	Base rate (JBA JPY 3-month TIBOR)						
Commencement date		February 26, 2021						
Termination date		February 28, 2026						
Payment date		The first payment will be made at the end of May 2021, and the rest of the payments will be made on the last day of every three months thereafter, with the last payment on the principal repayment date. (The interest payment will be made on the following business day in case such date falls on a day that is not a business day and the preceding business day in case such date falls in the next calendar month)						

(Note) Any undecided matters shall be determined on February 24, 2021 and will be announced after decision is made.

## 4. Status of borrowings and investment corporation bonds after the borrowings (as of February 26, 2021)

(millions of yen)

	Before the borrowings	After the borrowings	Difference
Short-term borrowings (Note 1)	—	—	—
Long-term borrowings (Note 2)	104,800.0	104,800.0	—
Total borrowings	104,800.0	104,800.0	—
Investment corporation bonds	8,000.0	8,000.0	—
Total borrowings and investment corporation bonds	112,800.0	112,800.0	—

(Notes)

- Short-term borrowings refer to the amount of debt financing with a period of less than or equal to one year from the borrowing date to the maturity date. However, in the case where the maturity date has been moved to a different business day because the maturity date of one year from the borrowing date is not a business day, and as a result the borrowing period surpasses one year, the borrowings are included in short-term borrowings.
- Long-term borrowings refer to the amount of debt financing with a period of more than one year from the borrowing date to the maturity date.

## 5. Other matters

Risks pertaining to the prepayment of the borrowed funds remain unchanged from those listed in the securities report of KRR submitted on December 25, 2020.

KRR's website address: <https://www.krr-reit.com/en/>

*This notice is the English translation of the Japanese announcement on February 22, 2021. However, no assurance or warranties are given for the completeness or accuracy of this English translation.*