

May 24, 2022

To All Concerned Parties

REIT Issuer:

Kenedix Residential Next Investment Corporation

Representative: Tetsu Kawashima, Executive Director  
(Securities Code Number: 3278)

Asset Management Company

Kenedix Real Estate Fund Management, Inc.

Representative: Masahiko Tajima, President & CEO

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## **Notice Concerning Debt Financing and Execution of Interest Rate Swap Agreement**

Kenedix Residential Next Investment Corporation (the “Investment Corporation”) today announced the decision regarding debt financing (total of ¥0.9billion) and execution of interest rate swap agreement. Details are as follows.

### **1. Details of Debt Financing**

Series	Lender	Amount (million)	Interest Rate (Note 1) (Note 2)	Contract Date (Scheduled)	Drawdown Date (Scheduled)	Principal repayment Date (Note 2)	Collateral・ Repayment Method
67-A	MUFG Bank, Ltd.	300	To be determined <sup>(Note 3)</sup> (Fixed rate)	May 30, 2022	June 1, 2022	November 30, 2023	Unsecured, unguaranteed ・ Repayment of principal in full on maturity date
67-B①	Sumitomo Mitsui Trust Bank, Limited	300	Base rate <sup>(Note 4)</sup> (JPY TIBOR for 3 month) +0.25000%			May 31, 2026	
67-B②	Mizuho Trust & Banking Co., Ltd.	300	Base rate <sup>(Note 4)</sup> (JPY TIBOR for 3 month) +0.25000%				

(Note 1) The first interest payment is due at the end of August 2022 and on the last day of every three months thereafter with final due on the principal repayment day.

(Note 2) If the interest payment date or the principal repayment date is a non-business day, the date shall be the next business day and if such next business day falls under the next month, the date shall be the preceding business day.

(Note 3) Any undecided matters shall be determined on May 30, 2022 and will be announced after the decision is made.

(Note 4) The Japanese Yen TIBOR of the JBATA is available on the JBATA website (<http://www.jbatibor.or.jp/english/>).

### **2. Reason for Debt Financing**

The funds drawn down against the facility will be earmarked for the acquisition of trust beneficiary interest in real estate (T-105: KDX Residence Hachioji Otsuka) announced in the press release of February 14, 2022 “Notice Concerning Acquisition of Properties (Total of 4 Residential Facilities and 3 Healthcare Facilities)” and related costs thereof.

### 3. Interest Rate Swap Agreements

#### (1) Reason for Executing the Interest Rate Swap Agreements

For a hedge against possible increases in future interest rate for Series 67-B with floating interest rate.

#### (2) Details of the Interest Rate Swap Agreements

		Series 67-B①	Series 67-B②
Counterparty		To be determined <sup>(Note)</sup>	
Notional Amount		¥ 300 million	¥ 300 million
Interest Rate	Fixed interest Rate for payment	To be determined <sup>(Note)</sup>	
	Floating interest Rate for receipt	Base rate (JPY TIBOR for 3 month)	
Commencement Date		June 1, 2022	
Termination Date		May 31, 2026	
Payment Date		The interest payment is due at the end of August 2022, and on the last day of every three months thereafter with termination date. (If each payment day is a non-business day, then the payment will be due on the next business day and if the next business day is in the next month, then the previous business day will be applied.)	

(Note) Any undecided matters shall be determined on May 30, 2022 and will be announced after the decision is made.

### 4. Status of the Interest-bearing Liabilities after the Borrowings (as of June 1, 2022)

(Unit: millions of yen)

Classification		Balance Before the Borrowings	Balance After the Borrowings	Difference
	Short-term borrowings <sup>(Note 1)</sup>	2,900	2,900	-
	Current portion of long-term borrowings <sup>(Note 2)</sup>	16,450	16,450	-
	Long-term borrowings <sup>(Note 3)</sup>	131,670	132,570	+900
	Total borrowings	151,020	151,920	+900
	Investment corporation bonds	7,700	7,700	-
Total interest-bearing liabilities		158,720	159,620	+900

(Note 1) The "Short-term borrowings" shall mean the borrowings with a period of less than or equal to one year from the borrowing date to the repayment date. However, if the first anniversary of the date of borrowings fall under a non-business day, the repayment date shall be the next business day and even if, as a result, the borrowing period exceeds one year, the borrowings shall be categorized as short-term borrowings.

(Note 2) The "Current portion of long-term borrowings" shall mean the long-term borrowings due within one year.

(Note 3) The "Long-term borrowings" shall mean the borrowings with a period of more than one year from the borrowing date to the repayment date.

### 5. Others

The borrowings will have no significant impact on the "Investment Risks" stated in the securities report (*Yuka shoken Hokokusho*) submitted on April 26, 2022.

\* Website URL of the Investment Corporation: <https://www.kdr-reit.com/en/>

**[Provisional Translation Only]**

**English translation of the original Japanese document is provided solely for information purposes.**

**Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.**