

Translation of Japanese Original

August 23, 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  
Contact: Shin Yamamoto, Head of Strategic Planning,  
Residential REIT Department  
TEL: +81-3-5157-6011

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

Kenedix Residential Next Investment Corporation (“the Investment Corporation”) announced today its decision to undertake the debt financing (total of ¥4.8 billion) and execution of interest rate swap agreement. Details are as follows.

#### 1. Details of Debt Financing

Series	Lender	Amount (million of yen)	Interest Rate (Note 1) (Note 2)	Application /Contract Date (Scheduled)	Drawdown Date (Scheduled)	Principal repayment Date (Note 2)	Collateral/ Repayment method
69-A	Sumitomo Mitsui Banking Corporation (Note 3)	900	Base rate (JPY TIBOR for 1month) +0.25000% (Note 4)	August 26, 2022	August 31, 2022	July 31, 2023	Unsecured, unguaranteed/ Repayment of principal in full on maturity date
69-B	MUFG Bank, Ltd.	500	To be determined (Fixed rate) (Note 5)	August 29, 2022		February 29, 2024	
69-C	Resona Bank, Limited.	1,100	Base rate (JPY TIBOR for 3month) +0.20000% (Note 4)			August 31, 2025	
69-D	Mizuho Trust & Banking Co., Ltd.	700	Base rate (JPY TIBOR for 3month) +0.27500% (Note 4)			February 28, 2027	
69-E	Development Bank of Japan Inc.	1,600	To be determined (Fixed rate) (Note 5)			August 31, 2029	

- (Note 1) For series 69-A, the first interest payment is due at the end of September 2022 and on the last day of every month thereafter with the last interest payment on the principal repayment day. For series 69-B, 69-C, series 69-D and series 69-E, the first interest payment is due at the end of November 2022 and on the last day of every three months thereafter with the last interest payment 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) Please refer to the press release “Notice Concerning Execution of Uncommitted Revolving Credit Facility Agreement” announced on March 22, 2022.
- (Note 4) The Japanese Yen TIBOR of the JBATA is available on the JBATA website (<http://www.jbatibor.or.jp/english/>).
- (Note 5) Any undecided matters shall be determined on August 29, 2022 and will be announced after the decision is made.

## 2. Purpose of Debt Financing

The proceeds of the debt financing will be used for the repayment of the borrowings series 15-B<sup>(note 1)</sup>, series 15-C<sup>(note 1)</sup>, series 29-A①②<sup>(note 2)</sup> and series 29-B<sup>(note 2)</sup> (total amount of ¥4.8billion) with the principal repayment date of August 31, 2022.

(Note 1) For details of series 15-B and series 15-C, please refer to the press release “Notice Concerning Debt Financing and Execution of Interest Rate Swap Agreement” announced on August 25, 2015.

(Note 2) For details of series 29-A①② and series 29-B, please refer to the press release “Notice Concerning Debt Financing and Execution of Interest Rate Swap Agreement” announced on August 28, 2018.

## 3. Interest Rate Swap Agreements

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

To hedge against possible increases in interest rate for Series 69-C and series 69-D with floating interest rates.

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

Series 69-C		
Counterparty		To be determined <sup>(Note)</sup>
Notional Amount		¥ 1,100 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		August 31, 2022
Termination Date		August 31, 2025
Payment Date		The interest payment is due at the end of November 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.)
Series 69-D		
Counterparty		To be determined <sup>(Note)</sup>
Notional Amount		¥ 700 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		August 31, 2022
Termination Date		February 28, 2027
Payment Date		The interest payment is due at the end of November 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 August 29, 2022 and will be announced after the decision is made.

## 4. Status of the interest-bearing debt after the Borrowings (as of August 31, 2022)

(Millions of yen)

Category		Balance before the Borrowings	Balance after the Borrowings	Difference
	Short-term borrowings <sup>(Note 1)</sup>	4,400	5,300	+900
	Current portion of long-term borrowings <sup>(Note2)</sup>	20,150	15,350	-4,800
	Long-term borrowings <sup>(Note 3)</sup>	127,370	131,270	+3,900
	Total borrowings	151,920	151,920	-
	Investment corporation bonds	7,700	7,700	-
Total borrowings and investment corporation bonds		159,620	159,620	-

(Note1) 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.

(Note2) The “Current portion of long-term borrowings” shall mean the long term borrowings due within one year.

(Note3) 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

In relation to the risks associated with the borrowings, there have been no significant changes to the "Investment Risks" stated in the securities report (*Yuka shoken hokokusyo*) 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.***