

To All Concerned Parties

REIT Issuer:

Kenedix Residential Next Investment Corporation

Representative: Tetsu Kawashima, Executive Director

(Securities Code: 3278)

Asset Management Company:

Kenedix Real Estate Fund Management, Inc.

Representative: Hikaru Teramoto, President & CEO

Contact: Michiru Nagamata, Head of Strategic Planning,
Residential REIT Department

TEL: +81-3-5157-6011

Notice Concerning Debt Financing (Series 81, 82 and 83),
Prepayment of Borrowings and Execution of Interest Rate Swap Agreements

Kenedix Residential Next Investment Corporation (the “Investment Corporation”) announced today its decision to undertake debt financing (for a total of 5,950 million yen) (the “Borrowings”), prepayment of borrowings and the execution of interest rate swap agreements. Furthermore, the Borrowings is to be partially procured as a social loan in accordance with the Social Finance Framework defined by the Investment Corporation. The details are provided as follows.

1. Details of Borrowings

| Series | Lender | Amount (Millions of yen) | Interest Rate (Note 1) | Contract Date (Scheduled) | Drawdown Date (Scheduled) | Principal Repayment Date (Note 1) | Collateral / Repayment Method |
|-------------------|--|--------------------------------|--|---------------------------------|---------------------------------|---|--|
| 81-A (Note 2) | Mizuho Trust & Banking Co., Ltd. | 200 | Base rate ^(Note 3) (JPY TIBOR for 1 month) +0.20000% | July 27, 2023 | July 31, 2023 | July 31, 2026 | Unsecured, unguaranteed / Repayment of principal in full on maturity date |
| 81-B (Note 2) | SBI Shinsei Bank, Limited | 600 | To be determined (Note 4) (Fixed rate) | | | January 31, 2028 | |
| 81-C① (Note 2) | MUFG Bank, Ltd. | 400 | | | | July 31, 2028 | |
| 81-C② | | 500 | | | | | |
| 82-A | Mizuho Bank, Ltd. | 800 | Base rate ^(Note 3) (JPY TIBOR for 1 month) +0.20000% | | | July 31, 2025 | |
| 82-B① (Note 2) | Mizuho Trust & Banking Co., Ltd. | 300 | | | | July 31, 2026 | |
| 82-B② (Note 2) | Sumitomo Mitsui Trust Bank, Limited | 300 | | | | | |
| 82-B③ (Note 2) | The Bank of Fukuoka, Ltd. | 200 | Base rate ^(Note 3) (JPY TIBOR for 1 month) +0.15000% | | | | |
| 82-C (Note 2) | SBI Shinsei Bank, Limited | 500 | To be determined (Note 4) (Fixed rate) | | | July 31, 2029 | |
| 83-A | Mizuho Trust & Banking Co., Ltd. | 200 | Base rate ^(Note 3) (JPY TIBOR for 1 month) +0.20000% | August 3, 2023 | August 7, 2023 | July 31, 2026 | |

| Series | Lender | Amount (Millions of yen) | Interest Rate (Note 1) | Contract Date (Scheduled) | Drawdown Date (Scheduled) | Principal Repayment Date (Note 1) | Collateral / Repayment Method |
|-----------|-------------------------------------|-----------------------------|---|------------------------------|------------------------------|--------------------------------------|---|
| 83-B | Resona Bank, Limited | 200 | Base rate ^(Note 3) (JPY TIBOR for 3 month) +0.25000% | August 3, 2023 | August 7, 2023 | July 31, 2027 | Unsecured, unguaranteed / Repayment of principal in full on maturity date |
| 83-C ① | MUFG Bank, Ltd. | 550 | To be determined (Note 5) (Fixed rate) | | | January 31, 2028 | |
| 83-C ② | Mizuho Bank, Ltd. | 300 | Base rate ^(Note 3) (JPY TIBOR for 3 month) +0.32500% | | | July 31, 2030 | |
| 83-D ① | Sumitomo Mitsui Banking Corporation | 400 | Base rate ^(Note 3) (JPY TIBOR for 3 month) +0.45000% | | | | |
| 83-D ② | Development Bank of Japan Inc. | 500 | To be determined (Note 5) (Fixed rate) | | | | |

(Note 1) The first interest payment is at the end of August 2023, and on the last day of every month thereafter for Series 81-A, 82-A, 82-B①, 82-B②, 82-B③, and 83-A. For Series 81-B, 81-C①, 81-C②, 82-C, 83-B, 83-C①, 83-C②, 83-D①, and 83-D②, the first interest payment is at the end of October 2023, and on the last day of every three months thereafter. The interest payment and the principal repayment will be made on the following business day in case such date falls on a non-business day and the preceding business day in case such date falls in the next calendar month.

(Note 2) The borrowings are to be procured as a social loan in accordance with the Social Finance Framework defined by the Investment Corporation. For details concerning “Social Finance Framework” and “Eligibility Criteria”, please refer to the press release “Notice Concerning Submission of Revised Shelf Registration Statement for the Issuance of Social Bond” dated November 26, 2019.

(Note 3) The Japanese Yen TIBOR of the JBATA is available on the JBATA website (<http://www.jbatibor.or.jp/english/>).

(Note 4) The undecided matters shall be determined on July 27, 2023, and will be announced upon decision is made.

(Note 5) The undecided matters shall be determined on August 3, 2023, and will be announced upon decision is made.

2. Purpose of the Borrowings

The proceeds of Series 82 and 83 will be applied to the repayment of the existing borrowings Series 8-A^(Note 1) (1,650 million yen), 8-B^(Note 1) (500 million yen), 33-C^(Note 2) (800 million yen), and 37-C^(Note 3) (1,300 million yen). Moreover, the proceeds of Series 81 will be applied to the prepayment of Series 79 (1,200 million yen) and Series 80-A① (500 million yen), respectively.

(Note 1) For detail concerning Series 8-A and 8-B, please refer to the press release “Notice Concerning Debt Financing” dated August 4, 2014.

(Note 2) For detail concerning Series 33-C, please refer to the press release “Notice Concerning Debt Financing and Execution of Interest Rate Swap Agreements” dated July 29, 2019.

(Note 3) For detail concerning Series 37-C, please refer to the press release “Notice Concerning Debt Financing and Execution of Interest Rate Swap Agreements” dated January 29, 2020.

Details of the Prepayment

| Series | Lender | Borrowing Amount (Millions of yen) | Repayment Amount (Millions of yen) | Drawdown Date | Principal Repayment Date | Prepayment Date | Collateral |
|-------------------|-------------------|---------------------------------------|---------------------------------------|----------------|--------------------------|-----------------|-------------------------|
| 79 (Note 1) | Mizuho Bank, Ltd. | 1,200 | 1,200 | March 29, 2023 | March 29, 2024 | July 31, 2023 | Unsecured, unguaranteed |
| 80-A① (Note 2) | MUFG Bank, Ltd. | 500 | 500 | April 28, 2023 | April 30, 2024 | | |

(Note 1) For detail concerning Series 79, please refer to the press release “Notice Concerning Debt Financing (Series 79)” dated March 27, 2023.

(Note 2) For detail concerning Series 80-A①, please refer to the press release “Notice Concerning Debt Financing (Series 80) and Execution of Interest Rate Swap Agreement” dated April 25, 2023.

3. Interest Rate Swap Agreements

(1) Reason for Executing Interest Rate Swap Agreements

To hedge against possible increases in future interest rate for Series 83-B, 83-C②, and 83-D① with floating interest rates.

(2) Details of Interest Rate Swap Agreements

| | | Series 83-B | Series 83-C② | Series 83-D① |
|-------------------|------------------------------------|---|------------------|-----------------|
| Counterparty | | To be determined ^(Note) | | |
| Notional Amount | | 200 million yen | 300 million yen | 400 million yen |
| Interest Rate | Fixed Interest Rate for Payment | To be determined ^(Note) | | |
| | Floating Interest Rate for Receipt | Base rate (JPY TIBOR for 3 month) | | |
| Commencement Date | | August 7, 2023 | | |
| Termination Date | | July 31, 2027 | January 31, 2028 | July 31, 2030 |
| Payment Date | | The interest payment is at the end of October 2023, 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) The undecided matters shall be determined on August 3, 2023, and will be announced upon decision is made.

4. Status of the Interest-bearing Debt after the Borrowings (as of August 7, 2023)

(Millions of Yen)

| Category | | Balance before the Borrowings | Balance after the Borrowings | Difference |
|---|--|-------------------------------|------------------------------|------------|
| | Short-term borrowings ^(Note 1) | 3,200 | 2,000 | -1,200 |
| | Current portion of long-term borrowings ^(Note2) | 22,950 | 18,200 | -4,750 |
| | Long-term borrowings ^(Note 3) | 132,070 | 138,020 | +5,950 |
| | Total borrowings | 158,220 | 158,220 | - |
| | Investment corporation bonds | 7,700 | 7,700 | - |
| Total borrowings and investment corporation bonds | | 165,920 | 165,920 | - |

(Note 1) 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.

(Note 2) Current portion of long-term borrowings refer to the amount of long-term borrowings with a period of within one year.

(Note 3) 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 Borrowings and repayment remain unchanged from the description of “Investment Risks” described in the Securities Report submitted on April 25, 2023.

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

[Provisional Translation Only]

This document is an English translation of the original Japanese document and is provided solely for information purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.