

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.

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**Notice Concerning Debt Financing (Series 0001 and 0003), Prepayment of Borrowings and
Cancellation 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 13,100 million yen) (the “Borrowings”), prepayment of borrowings and the cancellation of interest rate swap agreements. Furthermore, the Borrowings are to be partially procured as a green loan. 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
0001-A (Note 3)	Sumitomo Mitsui Banking Corporation	2,500	Base rate (Note 4) (JPY TIBOR for 1 month) +0.12500%	October 30, 2023	November 1, 2023	April 30, 2024	Unsecured, unguaranteed / Repayment of principal in full on maturity date
0001-B (Note 3)	Mizuho Bank, Ltd.	1,200				November 30, 2024	
0001-C (Note 3)	MUFG Bank, Ltd.	1,000	To be determined (Note 2) (Fixed rate)			October 31, 2026	
0001-D1 (Note 3)	The Norinchukin Bank	1,000				October 31, 2027	
0001-D2 (Note 3)	Shinkin Central Bank	1,000				April 30, 2028	
0001-E (Note 3)	Mizuho Bank, Ltd.	1,000				October 31, 2028	
0001-F1 (Note 3)	The Chugoku Bank, Ltd.	1,000					
0001-F2 (Note 3)	The Shiga Bank, Ltd.	500					
0003-A	Sumitomo Mitsui Banking Corporation	1,000	Base rate (Note 4) (JPY TIBOR for 1 month) +0.12500%			April 30, 2024	
0003-B	MUFG Bank, Ltd.	900	To be determined (Note 2) (Fixed rate)			October 31, 2026	
0003-C1	Sumitomo Mitsui Trust Bank, Limited	1,000				April 30, 2028	
0003-C2	Aozora Bank, Ltd.	1,000					

(Note 1) The first interest payment is at the end of November 2023, and on the last day of every month thereafter, with the last interest payment on the principal repayment date for Series 0001-A, 0001-B and 0003-A. For Series 0001-C, 0001-D, 0001-E, 0001-F, 0003-B and 0003-C, the first interest payment is at the end of January 2024, and on the last day of every three months thereafter, with the last interest payment on the principal repayment date. 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 undecided matters will be announced upon when the decision is made.

(Note 3) The borrowings are to be procured as a green loan in accordance with the Green Finance Framework (“the Framework”) established by Kenedix Office Investment Corporation (“KDO”), which undertake an absorption-type merger, with November 1, 2023 as the effective date, whereby KDO will be the surviving corporation and the Investment Corporation and Kenedix Retail REIT Corporation (“KRR”) will be the dissolving corporations in the merger. For details concerning “Green Finance Framework” and “Eligibility Green Projects”, please refer to the press release “Notice Concerning Establishment of Green Bond Framework for Green Bonds Issuance, etc.” dated January 9, 2019.

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

2. Purpose of the Borrowings

The proceeds will be applied to the portion of acquisition of River City 21 East Towers II (25% quasi co-ownership interest) and remm roppongi building (20% quasi co-ownership interest) announced in the press release “Notice Concerning Acquisition of Properties (River City 21 East Towers II and 2 Other Properties) and Disposition of Properties (Harajuku F.F. Building and 1 Other Property)” dated June 13, 2023.

3. Prepayment of Borrowings

(1) Details of the Prepayment

Series	Lender	Amount (Millions of yen)	Prepayment Amount (Millions of yen)	Remaining Amount (Millions of yen)	Contract Date	Drawdown Date	Principal Repayment Date	Collateral / Repayment Method
15-G	Sumitomo Mitsui Banking Corporation	2,000	2,000	—	August 31, 2015	August 31, 2025	November 1, 2023	Unsecured, unguaranteed

(Note) For detail of Series 15-G, please refer to the press release “Notice Concerning Debt Financing and the Execution of Interest-Rate Swap Agreements” dated August 25, 2015.

(2) Prepayment Funds

Cash on hands

4. Cancellation of Interest Rate Swap Agreements

(1) Details of Interest Rate Agreements to be Cancelled

Series	13-B	14-C	14-D	15-E	15-F	15-G	16-B	29-D①
Counterparty	Aozora Bank, Ltd.	Nomura Securities Co., Ltd.						Sumitomo Mitsui Trust Bank, Limited
Notional Principal before Cancellation (Millions of yen)	1,200	2,000	1,000	1,700	950	2,000	1,000	1,050
Interest Rate	Paying Fixed Interest rate	0.45500%	0.44970%	0.51540%	0.51870%	0.51870%	0.59470%	0.48100%
	Receiving Floating Interest Rate	Base rate (JPY TIBOR for 1 month)						

Series	13-B	14-C	14-D	15-E	15-F	15-G	16-B	29-D①
Payment Date (Note 1)	The interest payment is due at the end of February 2015, and on the last day of every month thereafter with termination date.	The interest payment is due at the end of May 2015, and on the last day of every month thereafter with termination date.		The interest payment is due at the end of September 2015, and on the last day of every month thereafter with termination date.			The interest payment is due at the end of October 2015, and on the last day of every month thereafter with termination date.	The interest payment is due at the end of September 2018, and on the last day of every month thereafter with termination date.
Commencement Date	February 5, 2015	April 30, 2015		August 31, 2015			October 27, 2015	August 31, 2018
Termination Date	January 31, 2024	April 30, 2024	April 30, 2025	August 31, 2024		August 31, 2025	April 17, 2025	February 28, 2027
Cancellation Date		November 1, 2023						

Series		29-D②	29-D③	29-D④	29-D⑤	30-B①	30-B②	30-B③
Counterparty		Sumitomo Mitsui Trust Bank, Limited						
Notional Principal before Cancellation (Millions of yen)		500	500	500	250	1,000	800	500
Interest Rate	Paying Fixed Interest rate	0.33900%				0.43125%		
	Receiving Floating Interest Rate	Base rate (JPY TIBOR for 1 month)						
Payment Date (Note 1)		The interest payment is due at the end of September 2018, and on the last day of every month thereafter with termination date.				The interest payment is due at the end of October 2018, and on the last day of every month thereafter with termination date.		
Commencement Date		August 31, 2018				September 28, 2018		
Termination Date		February 28, 2027				September 30, 2028		
Cancellation Date		November 1, 2023						

(Note 1) 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) For detail of Series 13-B, please refer to the press release “Notice Concerning Debt Financing and the Execution of Interest-Rate Swap Agreements” dated February 3, 2015, for Series 14-C and 14-D to the press release “Notice Concerning the Execution of Interest-Rate Swap Agreements” dated April 27, 2015 for Series 15-E, 15-F and 15-G to the press release “Notice Concerning Debt Financing Interest Rate Determination and the Execution of Interest-Rate Swap Agreements” dated August 27, 2015 for Series 16-B to the press release “Notice Concerning Debt Financing and the Execution of Interest-Rate Swap Agreements” dated October 23, 2015 for Series 29-D to the press release “Notice Concerning Debt Financing Interest Rate Determination” dated August 29, 2018 for Series 30-B to the press release “Notice Concerning Execution of Interest Rate Swap Agreements” dated September 26, 2018, respectively.

5. Status of the Interest-bearing Debt after the Borrowings, Prepayment of Borrowings and Cancellation of Interest Rate Swap Agreements (as of November 1, 2023)

(Millions of yen)

Category	Balance before the Borrowings, Prepayment of Borrowings and Cancellation of Interest Rate Swap Agreements	Balance after the Borrowings, Prepayment of Borrowings and Cancellation of Interest Rate Swap Agreements (Note 4)	Difference
Short-term borrowings ^(Note 1)	1,000	4,500	+3,500
Current portion of long-term borrowings ^(Note 2)	19,900	19,900	-
Long-term borrowings ^(Note 3)	137,320	144,920	+7,600
Total borrowings	158,220	169,320	+11,100
Investment corporation bonds	7,700	7,700	-
Total borrowings and investment corporation bonds	165,920	177,020	+11,100

(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.

(Note 4) Changes in interest-bearing debt due to the merger scheduled to take effect on November 1, 2023 have not been taken into account.

6. Other Matters

Risks pertaining to the Borrowings and repayment remain unchanged from the description of “Investment Risks” described in the Securities Report submitted on October 24, 2023.

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

[Provisional Translation Only]

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