

Translation of Japanese Original

August 27, 2014

To All Concerned Parties

REIT Issuer:

Kenedix Office Investment Corporation  
Naokatsu Uchida, Executive Director  
(Securities Code: 8972)

Asset Management Company:

Kenedix Real Estate Fund Management, Inc.  
Ryosuke Homma, CEO and President

Inquiries:

Hikaru Teramoto  
General Manager of Planning Department  
Office REIT Division  
TEL: +81-3-5623-8979

**Notice Concerning Debt Financing Interest Rate Determination and  
the Execution of an Interest Rate Swap Agreement (Series 105)**

Kenedix Office Investment Corporation (the “Investment Corporation”) today announced details regarding the interest rate and applicable period for debt financing outlined in the following table. In addition, the Investment Corporation announced the term of an interest rate swap agreement. Please see below for additional details.

**1. Borrowing Interest Rate**

Classification (Note 1)	Lender	Balance (Billions of Yen)	Interest Rate (Note 2)	Drawdown Date	Repayment Date
Series 105 (Long-Term)	Sumitomo Mitsui Trust Bank Limited	1.0	Base rate (JPY TIBOR for 1 month) + 0.40%	August 29, 2014	July 31, 2019

(Notes)

1. Long-term borrowings refer to debt financing with a period of more than one year from the drawdown date to the repayment date.
2. The interest rate for the period commencing August 29, 2014 through the end of September, 2014 is 0.54636% (as of August 27, 2014, Japanese Yen TIBOR for 1 month is 0.14636%). Thereafter, the interest rate shall be calculated based on Japanese Yen TIBOR for 1 month, which the JBA TIBOR Administration (the “JBATA”) releases two business days before each interest payment date. The Japanese Yen TIBOR of the JBATA is available on the JBATA website (<http://www.jbatibor.or.jp/english/>).
3. The above mentioned borrowing is unsecured and unguaranteed.

For further details, please refer to the press release “Notice Concerning Debt Financing (Series 105, 106 and 107) and the Interest Rate Swap Agreements”, dated August 25, 2014.

**2. Interest-Rate Swap Agreement**

(1) Purpose

The Investment Corporation has decided to execute an interest rate swap agreement as a hedge against possible increases in future interest rates for the aforementioned long-term borrowing (Series 105).

(2) Details of the Interest Rate Swap Agreement

Interest Rate Swap Agreement (Series 105)

- (a) Counterparty : SMBC Nikko Securities Inc.
- (b) Notional Amount : ¥1.0 billion
- (c) Interest Rate : Fixed interest rate for payment: 0.25000%

Floating interest rate for receipt: base rate (JPY TIBOR for 1 month) (Note)

- (d) Commencement Date : August 29, 2014
- (e) Termination Date : July 31, 2019
- (f) Payment Date : The first payment is due at the end of September 2014, and on the last day of every month thereafter, with the last interest payment on July 31, 2019. (If the last day of the month is a non-business day, then the payment will be due on the previous business day.)

(Note)

By entering into the interest rate swap agreement, the interest rate for Series 105 is essentially fixed at 0.65000%.

### 3. Others

Regarding the risks concerning the repayment of the aforementioned borrowing, there are no significant changes to the “Investment Risks” as described in the Securities Report (submitted July 30, 2014).

<p>This notice is the English translation of the Japanese announcement released August 27, 2014 on our website. However, no assurances or warranties are given for the completeness or accuracy of this English translation.</p>
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