

Translation of Japanese Original

February 23, 2017

To All Concerned Parties

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Kenedix Retail REIT Corporation  
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(Securities Code: 3453)

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Notice Concerning Renewal Project at MONA Shin-Urayasu

Kenedix Retail REIT Corporation (“KRR”) announced today that it decided to conduct a renewal project which involves replacement of a tenant at MONA Shin-Urayasu.

1. Renewal project (“the project”) at MONA Shin-Urayasu

(1) Overview of the project

<b>Amount to be expended</b>	JPY 130.5 million
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<b>Project</b>	<b>Aim</b>
Exterior renovation	<ul style="list-style-type: none"> <li>• Increase attractiveness through environmental improvement around entrances</li> <li>• Improvement of public spaces by installing benches and plantings</li> </ul>
Renewing signboards and floor maps	<ul style="list-style-type: none"> <li>• Improve access to each shops in the mall</li> </ul>

(2) Background

MONA Shin-Urayasu is an urban station-front shopping center in Urayasu, Chiba, opened in November 1990. It has approximately 70 tenants, ranging from supermarket (grocery), clothing stores, restaurants, commercial goods stores to service businesses. It is directly accessible by a pedestrian walkway from Shin-Urayasu Station (about 20 minutes to Tokyo Station on JR Keiyo Line and next to Maihama Station where Tokyo Disney Resort is located) and also highly accessible by car. There are many retail facilities and public facilities around the property and it has played an important role in the local community. Additionally, it has met the needs of office workers and hotel guests of nearby facilities.

However, as 26 years have passed since the opening of the facility, KRR decided to conduct the renewal project aiming to maintain its competitiveness and value of the property. In addition to the renewal, there will be a replacement of the supermarket (grocery), the core tenant of the property, aiming to attract new customers and increase sales in the entire property. There will be no downtime in lease terms in connection with the replacement of the supermarket because the lease agreement with the current supermarket will end on February 28, 2017 and the new supermarket will start paying the rent from March 1, 2017.

(3) Expected schedule

February 2017 <sup>(Note)</sup>	Closing of the current supermarket and restoring construction works
March 2017	Start of the renewal project
May 2017	Completion of the renewal project
June 2017	Opening of the new supermarket

(Note) Current supermarket was closed on February 19, 2017.

2. Future outlook

There are no changes to the forecasts of financial results of KRR published in the “Financial Report for the Fiscal Period Ended September 30, 2016” dated November 16, 2016 as the impact on the financial results is minimal.

Please refer to KRR’s website address: <http://www.krr-reit.com/en/>

*This notice is the English translation of the Japanese announcement on February 23, 2017. However, no assurance or warranties are given for the completeness or accuracy of this English translation.*

## Reference

Conceptual drawings of MONA Shin-Urayasu after the project

### ■ More convenience

MONA Shin-Urayasu is in an excellent location directly accessible by a pedestrian walkway from Shin-Urayasu Station, in a commercial cluster district. In this renewal project, KRR will improve environment around entrances on the first and second floors, including replacement of floor materials and designs of roofs, outer walls and pillars, installation of LED lightings and automatic doors and renewal of signboards and floor maps in the entire facility. Through this project, KRR expects improvement of accessibility from the station, nearby facilities and the neighboring office tower, making it more convenient for customers.

Drawing of entrance (after the project)<sup>(Note)</sup>



Current entrance (before the project)



### ■ Relationship with the local community

MONA Shin-Urayasu has played a role in enlivening local community for 26 years in front of JR Shin-Urayasu Station. In this renewal project, KRR aims to attract local residents with improvement of public spaces by installing benches and plantings.

Drawing of entrance (after the project)<sup>(Note)</sup>



Current entrance (before the project)



(Note) Conceptual drawings may differ from the actual.