

February 27, 2020

To All Concerned Parties

REIT Issuer:

Kenedix Residential Next Investment Corporation
Representative: Keisuke Sato, Executive Director
(Securities Code: 3278)

Asset Management Company:

Kenedix Real Estate Fund Management, Inc.
Representative: Masahiko Tajima, President & CEO
Contact: Shin Yamamoto, Head of Planning
Division, Residential REIT Department
TEL: +81-3-5157-6011

Notice Concerning Debt Financing Interest Rate Determination and
Execution of Interest Rate Swap Agreements

Kenedix Residential Next Investment Corporation (the “Investment Corporation”) announced today details regarding the interest rate and applicable period for the following debt financing stated in the press release “Notice Concerning Debt Financing and Execution of Interest Rate Swap Agreements” announced on February 25, 2020. In addition, the Investment Corporation announced the condition of the interest rate swap agreements. Details are as follows.

1. Borrowing Interest Rate

Series	Lender	Amount (million)	Interest Rate	Drawdown Date	Principal repayment Date
39-D	MUFG Bank, Ltd.	¥ 400	0.45000% (Note 1) (Fixed rate)	March 2, 2020	February 28, 2027

(Note 1) The interest rate applicable period is from March 2, 2020 to February 28, 2027.

(Note 2) The abovementioned debt financing is unsecured and unguaranteed.

For further details concerning the abovementioned debt financing, please refer to the press release “Notice Concerning Debt Financing and Execution of Interest Rate Swap Agreements” announced on February 25, 2020.

2. Interest Rate Swap Agreements

(1) Reason for Executing the Interest Rate Swap Agreements

For a hedge against possible increases in future interest rate for a part of Series 39 with floating interest rate. For further details concerning the abovementioned debt financing, please refer to the press release “Notice Concerning Debt Financing and the Execution of Interest Rate Swap Agreements” announced on February 25, 2020.

(2) Details of the Interest Rate Swap Agreements

		Series 39-B①	Series 39-B②
Counterparty		Nomura Securities Co.,Ltd.	
Notional Amount		¥ 500 million	¥ 500 million
Interest Rate	Fixed interest Rate for payment	-0.04100%	
	Floating interest Rate for receipt	Base rate (JPY TIBOR for 3 month)	
Commencement Date		March 2, 2020	
Termination Date		February 29, 2024	
Payment Date		The interest payment is due at the end of May 2020, 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) By entering into the interest swap agreements, the interest rate for Series 39-B①② are essentially fixed at 0.25900%.

		Series 39-C①	Series 39-C②	Series 39-C③	Series 39-C④	Series 39-C⑤
Counterparty		Nomura Securities Co.,Ltd.				
Notional Amount		¥ 500 million	¥ 500 million	¥ 500 million	¥ 500 million	¥ 400 million
Interest Rate	Fixed interest Rate for payment	-0.03600%				
	Floating interest Rate for receipt	Base rate (JPY TIBOR for 3 month)				
Commencement Date		March 2, 2020				
Termination Date		February 28, 2027				
Payment Date		The interest payment is due at the end of May 2020, 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) By entering into the interest swap agreements, the interest rate for Series 39-C① is essentially fixed at 0.46400% and the interest rate for Series 39-C②③④⑤ are essentially fixed at 0.41400%.

		Series 39-E
Counterparty		Nomura Securities Co.,Ltd.
Notional Amount		¥ 200 million
Interest Rate	Fixed interest Rate for payment	-0.01900%
	Floating interest Rate for receipt	Base rate (JPY TIBOR for 3 month)
Commencement Date		March 2, 2020
Termination Date		February 29, 2028
Payment Date		The interest payment is due at the end of May 2020, 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) By entering into the interest swap agreements, the interest rate for Series 39-E is essentially fixed at 0.53100%.

3. Others

In relation to the risks associated with the borrowings, there have been no significant changes to the "Investment Risks" stated in the securities registration statement (*Yuka shoken todokedesyo*) submitted on February 10, 2020.

* 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.