

Translation of Japanese Original

April 19, 2017

To All Concerned Parties

REIT Issuer:

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

Asset Management Company

Kenedix Real Estate Fund Management, Inc.
Representative: Masahiko Tajima, CEO and President
Contact: Shin Yamamoto, General Manager of Planning
Department, Residential REIT Division
TEL: +81-3-5623-8682

Notice Concerning the Amendment Memorandum of Understanding for the MOU concerning the Provision of Real Estate Information and Other Items

Kenedix Residential Investment Corporation (“the Investment Corporation”) and Kenedix Real Estate Fund Management, Inc., the asset management company for the Investment Corporation (“the Asset Management Company”) have concluded the Amendment Memorandum of Understanding for the MOU concerning the provision of real estate information and other items (“the Amendment MOU”) with Kenedix, Inc., the sponsor of the Investment Corporation (“the Sponsor”). Details are as follows.

1. Overview of the Amendment MOU

The Investment Corporation and the Asset Management Company reviewed the memorandum of understanding concerning the provision of real estate information and other items dated October 1, 2013 and amendment memorandum of understanding for the MOU concerning the provision of real estate information and other items dated June 24, 2014 (collectively, “the Support-Line MOU”) and concluded the Amendment MOU with contracting parties Today. By the Amendment MOU, “Hotel, etc.” is included in the coverage of sponsor support based on the Support-Line MOU.

2. Reason for the Conclusion of the Amendment MOU

The Investment Corporation has invested in rental housing as main investment targets. In order to clarify that the Investment Corporation can invest in accommodations including hotels, etc. as secondary investment targets, the Investment Corporation submitted the amendment of the Articles of Incorporation to the Fourth General Meeting of Unitholders held on March 28, 2017 and it was approved.

Based on the change of investment ratio by property type accompanying the above, the Investment Corporation carried out discussions with the Sponsor and as a result, reached agreement to include “Hotel, etc.” in the coverage of sponsor support.

In addition, the Asset Management Company has prescribed the rule on priority rights of consideration of the real estate sale information obtained by the Asset Management Company^(Note), which rule is for coordinating conflicts in acquisition opportunities among the Investment Corporations and real estate funds, etc. The order of priority rights of consideration regarding Hotels for the Investment Corporation is 2nd next to Kenedix Private Investment Corporation.

(Note) Regarding the details of the priority rights of consideration, please refer to “Notice Concerning the Change of Company Regulations (the Management Guideline of Residential REIT Division)” announced on February 28, 2017.

- * The original Japanese version of this material is released today to the Kabuto Club (the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Papers in the Construction Industry.
- * Website URL of the Investment Corporation: <http://www.kdr-reit.com/english/>

[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.