

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 and Execution of Interest Rate Swap Agreement

Kenedix Residential Next Investment Corporation (the “Investment Corporation”) announced today the decision regarding debt financing (total of ¥1.35 billion) and execution of interest rate swap agreement. Details are as follows.

1. Details of Debt Financing

Series	Lender	Amount (million)	Interest Rate (Note 1) (Note 2)	Contract Date (Scheduled)	Drawdown Date	Principal repayment Date (Note 2)	Collateral • Repayment Method
54	Aozora Bank, Ltd.	¥1,350	Base rate ^(Note 3) (JPY TIBOR for 3 month) +0.50000%	March 29, 2021	March 31, 2021	March 31, 2029	Unsecured, unguaranteed • Repayment of principal in full on maturity date

(Note 1) The first interest payment is due at the end of June 2021 and on the last day of every three months thereafter with final due on the principal repayment day.

(Note 2) If the interest payment date or the principal repayment date is a non-business day, the date shall be the next business day and if such next business day falls under the next month, the date shall be the preceding business day.

(Note 3) The Japanese Yen TIBOR of the JBATA is available on the JBATA website (<http://www.jbatibor.or.jp/english/>).

2. Reason for Debt Financing

The proceeds of this debt financing are to be used for the repayment of the borrowing series 5 (¥1.35 billion)^(Note) with the principal repayment date of March 31, 2021.

(Note) For detail of series 5, please refer to the press release “Notice Concerning Debt Financing and the Execution of an Interest-Rate Swap Agreements” announced on March 26, 2014.

3. Interest Rate Swap Agreement

(1) Reason for Executing the Interest Rate Swap Agreements

For a hedge against the risk of increasing interest rates in future for series 54 with floating interest rate.

(2) Details of the Interest Rate Swap Agreements

		Series 54
Counterparty		To be determined ^(Note)
Notional Amount		¥ 1,350 million
Interest Rate	Fixed interest Rate for payment	To be determined ^(Note)
	Floating interest Rate for receipt	Base rate (JPY TIBOR for 3 month)
Commencement Date		March 31, 2021
Termination Date		March 31, 2029
Payment Date		The first payment is due at the end of June 2021, and on the last day of every three months thereafter, with the last payment on the principal repayment day. (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) Any undecided matters shall be determined on March 29, 2021 and will be announced after decision is made.

4. Status of the Interest-bearing Liabilities after the Borrowings (as of March 31, 2021)

(Unit: millions of yen)

Classification	Balance Before the Borrowings	Balance After the Borrowings	Difference
Short-term borrowings ^(Note 1)	500	500	—
Current portion of long-term borrowings ^(Note 2)	16,700	15,350	-1,350
Long-term borrowings ^(Note 3)	121,020	122,370	+1,350
Total borrowings	138,220	138,220	—
Investment corporation bonds	7,000	7,000	—
Total interest-bearing liabilities	145,220	145,220	—

(Note1) The “Short-term borrowings” shall mean the borrowings with a period of less than or equal to one year from the borrowing date to the repayment date. However, if the first anniversary of the date of borrowings fall under a non-business day, the repayment date shall be the next business day and even if, as a result, the borrowing period exceeds one year, the borrowings shall be categorized as short-term borrowings.

(Note2) The “Current portion of long-term borrowings” shall mean the long-term borrowings due within one year.

(Note3) The “Long-term borrowings” shall mean the borrowings with a period of more than one year from the borrowing date to the repayment date.

5. 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 todokedyo) submitted on February 15, 2021.

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

[Provisional Translation Only]

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Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.