

July 26, 2018

To All Concerned Parties

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

Asset Management Company
Kenedix Real Estate Fund Management, Inc.
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Notice Concerning Execution of Interest Rate Swap Agreements

Kenedix Residential Next Investment Corporation (the "Investment Corporation") announced today the decision regarding the execution of interest-rate swap agreements. The details are as follows.

1. Reason for Interest-Rate Swap Agreements

For a hedge against possible increases in future interest rate for Series 26-B-1, -2, -3, -4 with floating interest rate. Regarding the detail, please refer to the press release "Notice Concerning Debt Financing and Execution of Interest Rate Swap Agreements" announced on July 25, 2018.

(1) Details of Interest-Rate Swap Agreements

		Series 26-B-1	Series 26-B-2	Series 26-B-3	Series 26-B-4
Counterparty		Sumitomo Mitsui Trust Bank, Limited			
Notional Amount		¥ 1,000 million	¥ 1,000 million	¥ 500 million	¥ 500 million
Interest Rate	Fixed interest Rate for payment	0.1085%			
	Floating interest Rate for receipt	Base rate (JPY TIBOR for 1 month)			
Commencement Date		July 30, 2018			
Termination Date		July 31, 2021			
Payment Date		The interest payment is due at the end of August 2018, and on the last day of every month 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 previous business day will be applied.)			

(Note) By entering into the interest rate swap agreements, the interest rate for Series 26-B-1, -2, -3, -4 are essentially fixed at 0.4085%.

2. Others

In relation to the risks associated with the borrowings, there have been no significant changes to the "Investment Risks" stated in the securities report (*Yuka shoken todokedesyo*) submitted on July 13, 2018.

* 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.

Disclaimer : This document is a press release to make a public announcement of Execution of Interest Rate Swap Agreements, and has not been prepared for the purpose of solicitation for investment . The Investment Corporation cautions investors to ensure that they refer to the prospectus for notification of the issuance of new investment units and secondary offering of investment unites as well as amendments thereto prepared by the Investment Corporation (if any) before undertaking investments and investments be made at their own judgement and responsibility.