

October 29, 2019

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, President & CEO  
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Notice Concerning Changes in Master Lease Company and Property Management Company

Kenedix Residential Next Investment Corporation (the "Investment Corporation") announced today that Kenedix Real Estate Fund Management, Inc., the asset management company of the Investment Corporation (the "Asset Management Company"), has decided to change the master lease company (the "ML") and property management company (the "PM") for KDX Residence Nihombashi Hamacho (the "Property ") owned by the Investment Corporation. Details are as follows.

**1. Summary of the Change**

The ML and PM for the Property as listed below will be changed on November 1, 2019.

No.	Property Name	Current ML and PM	New ML and PM
T-49	KDX Residence Nihombashi Hamacho	Mitsui Home Estate Co., Ltd.	Tokyu Housing Lease Corporation

**2. Reason for this Change**

The Investment Corporation will terminate the fixed rent lease agreements with the current ML and PM and will switch the lease to the master lease agreement with pass through structure for the purpose of further improving rental revenue of the property.

Rental housings of Tokyo metropolitan area owned by the Investment Corporation are continuing to have high occupancy rates and rising rents due to favorable supply-demand environment. The Investment Corporation believes that the property is expected to increase rental revenue by the switching to a pass-through master lease agreement.

The selection of new ML and PM was made taking into account the property management cost, leasing management and property management ability, business performance, as well as reduction of the number of ML and PM entrusted.

**3. Outline of the New ML and PM**

Name	Tokyu Housing Lease Corporation
Head Office Location	2-3-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo

Representative	Katsushi Miki, President, Representative Director
Capital	JPY 100 million
Establishment	Apr. 2014
Principal Business	Master lease and Property management business Building management service, etc.
Interested-Party with the Investment Corporation or the Asset Management Company	Not applicable

#### 4. Outlook

The impact of the change on the operation is minimal. Therefore, there is no change to the forecasts of the financial results of the Investment Corporation.

\* Website URL of the Investment Corporation: <http://www.kdr-reit.com/english/>

*[Provisional Translation Only]*

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