

April 22, 2022

To All Concerned Parties

REIT Issuer:

Kenedix Residential Next Investment Corporation
 Representative: Tetsu Kawashima, 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 Debt Financing and Execution of Interest Rate Swap Agreement

Kenedix Residential Next Investment Corporation (the “Investment Corporation”) today announced the decision regarding debt financing (total of ¥ 11.5 billion) and execution of interest rate swap agreement. Details are as follows.

1. Details of Debt Financing

Series	Lender	Amount (million)	Interest Rate (Note 2) (Note 3)	Contract Date (Scheduled)	Drawdown Date (Scheduled)	Principal repayment Date (Note 3)	Collateral • Repayment Method
64-A	Sumitomo Mitsui Banking Corporation ^(Note 1)	¥4,000	Base rate ^(Note 4) (JPY TIBOR for 3 month) +0.25000%	April 26, 2022	April 28, 2022	April 30, 2025	Unsecured, unguaranteed • Repayment of principal in full on maturity date
64-B	Shinkin Central Bank ^(Note 1)	¥1,500				October 31, 2025	
64-C	The Keiyo Bank, Ltd. ^(Note 1)	¥500				October 31, 2026	
65-A	MUFG Bank, Ltd.	¥1,000	To be determined ^(Note 5) (Fixed rate)			October 31, 2023	
65-B	Aozora Bank, Ltd.	¥1,000	Base rate ^(Note 4) (JPY TIBOR for 3 month) +0.17500%			October 31, 2024	
65-C	Daishi Hokuetsu Bank, Ltd.	¥500	0.35000% ^(Note 6) (Fixed rate)			April 30, 2027	
65-D	Aozora Bank, Ltd.	¥1,500	Base rate ^(Note 4) (JPY TIBOR for 3 month) +0.32500%			October 31, 2027	
65-E	Aozora Bank, Ltd.	¥1,000	Base rate ^(Note 4) (JPY TIBOR for 3 month) +0.35000%			April 30, 2028	
65-F	Nippon Life Insurance Company	¥500	0.61000% ^(Note 7) (Fixed rate)			March 31, 2029	

(Note 1) Series 64 will be a syndicated loan arranged by Sumitomo Mitsui Banking Corporation.

(Note 2) The first interest payment is due at the end of July 2022 and on the last day of every three months thereafter with final due on the principal repayment day.

- (Note 3) 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 4) The Japanese Yen TIBOR of the JBATA is available on the JBATA website (<http://www.jbatibor.or.jp/english/>).
- (Note 5) Any undecided matters shall be determined on April 26, 2022 and will be announced after the decision is made.
- (Note 6) The interest rate applicable period is from April 28, 2022 to April 30, 2027
- (Note 7) The interest rate applicable period is from April 28, 2022 to March 31, 2029

2. Reason for Debt Financing

The proceeds of this debt financing will be earmarked to repay the borrowing series 6-A^(note 1), 6-B^(note 1), 6-C^(note 1), 6-D^(note 1), 14-A^(note 2), 60-A^(note 3), 61^(note 4), 62^(note 5) (Total ¥11.5 billion) maturing on April 28, 2022.

- (Note 1) For detail of series 6-A, 6-B, 6-C, 6-D, please refer to the press release “Notice Concerning Debt Financing and the Execution of Interest-Rate Swap Agreements” announced on April 25, 2014
- (Note 2) For detail of series 14-A, please refer to the press release “Notice Concerning Debt Financing and the Execution of Interest-Rate Swap Agreements” announced on April 23, 2015
- (Note 3) For detail of series 60-A, please refer to the press release “Notice Concerning Debt Financing and the Execution of Interest Rate Swap Agreement” announced on December 7, 2021
- (Note 4) For detail of series 61, please refer to the press release “Notice Concerning Debt Financing” announced on January 25, 2022
- (Note 5) For detail of series 62, please refer to the press release “Notice Concerning Debt Financing” announced on February 22, 2022

3. Interest Rate Swap Agreements

(1) Reason for Executing the Interest Rate Swap Agreements

For a hedge against possible increases in future interest rate for Series 64-A, 64-B, 64-C, 65-B, 65-D and 65-E with floating interest rate.

(2) Details of the Interest Rate Swap Agreements

		Series 64-A	Series 64-B	Series 64-C
Counterparty		To be determined ^(Note)		
Notional Amount		¥ 4,000 million	¥ 1,500 million	¥ 500 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		April 28, 2022		
Termination Date		April 30, 2025	October 31, 2025	October 31, 2026
Payment Date		The interest payment is due at the end of July 2022, 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.)		

		Series 65-B	Series 65-D	Series 65-E
Counterparty		To be determined ^(Note)		
Notional Amount		¥ 1,000 million	¥ 1,500 million	¥ 1,000 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		April 28, 2022		
Termination Date		October 31, 2024	October 31, 2027	April 30, 2028
Payment Date		The interest payment is due at the end of July 2022, 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) Any undecided matters shall be determined on April 26, 2022 and will be announced after the decision is made.

4. Status of the Interest-bearing Liabilities after the Borrowings (as of April 28, 2022)

(Unit: millions of yen)

Classification	Balance Before the Borrowings	Balance After the Borrowings	Difference
Short-term borrowings ^(Note 1)	6,000	2,000	-4,000
Current portion of long-term borrowings ^(Note 2)	23,950	16,450	-7,500
Long-term borrowings ^(Note 3)	120,170	131,670	+11,500
Total borrowings	150,120	150,120	-
Investment corporation bonds	7,700	7,700	-
Total interest-bearing liabilities	157,820	157,820	-

(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

The borrowings will have no significant impact on the "Investment Risks" stated in the securities registration statement (Yuka shoken todokedesho) submitted on February 14, 2022, part 2: Reference Information, chapter 2: Supplemental Information of the Reference Document, section 3: Investment Risks

* 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.