

August 26, 2016

To All Concerned Parties

REIT Issuer:
 Kenedix Residential Investment Corporation
 Representative: Akira Tanaka, Executive Director
 (Securities Code Number: 3278)

Asset Management Company
 Kenedix Real Estate Fund Management, Inc.
 Representative: Ryosuke Homma, CEO and President
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Notice Concerning Debt Financing Interest Rate Determination

Kenedix Residential Investment Corporation (“the Investment Corporation”) announced today the details regarding the interest rate and applicable period for debt financing outlined in the following table. The details are provided as follows.

1. Borrowing Interest Rate

Series	Lender	Amount (million)	Interest Rate	Drawdown Date	Principal repayment Date
19	Mizuho Bank, Ltd.	¥1,500	0.81630% ^(Note 1) (Fixed rate)	August 30, 2016	August 31, 2026

(Note1) The interest rate applicable period is from August 30, 2016 through August 31, 2026.

(Note2) The abovementioned loan is unsecured and unguaranteed.

For further details concerning the abovementioned loan, please refer to the press release “Notice Concerning Debt Financing, the Execution of Interest Rate Swap Agreements and the Partial Prepayment of Debt Financing” announced on August 23, 2016.

2. Others

In relation to the risks associated with the Loan, there have been no significant changes to the "Investment Risks" stated in the securities report (*Yuka shoken hokokusyo*) submitted on April 28, 2016 and the amendment report for the securities report submitted on June 21, 2016 and August 19, 2016.

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

[Provisional Translation Only]

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