KENEDIX
Office Investment Corporation

Translation of Japanese Original

April 18, 2014

To All Concerned Parties

REIT Issuer:
Kenedix Office Investment Corporation
Naokatsu Uchida, Executive Director
(Securities Code: 8972)

Asset Management Company:
Kenedix Real Estate Fund Management, Inc.
Ryosuke Homma, CEO and President
Inquiries:
Hikaru Teramoto
General Manager of Planning Department
Office REIT Division
TEL: +81-3-5623-8979

Notice Concerning Debt Financing (Series 100) and the Execution of an Interest Rate Swap Agreement

Kenedix Office Investment Corporation ("the Investment Corporation") today announced its decision to undertake debt financing (total of ¥2,900 million) and the execution of an interest rate swap agreement.
Please see below for additional details.

1. Purpose of Debt Financing

The Investment Corporation has decided to execute a debt financing agreement to support the acquisition of a trust beneficiary interest in real estate whose assets consist of the underlying land of Shinjuku 6chome Building ("the Trust Beneficiary Interest") and the payment of associated costs.

Note: For additional details, please refer to the press release "Notice Concerning Acquisition of Property (Shinjuku 6chome Building (Land))," dated today regarding the acquisition of the Trust Beneficiary Interest (1 property).

2. Details of Debt Financing

Long-Term Borrowing (Series 100)

①	Lender	:	Sumitomo Mitsui Banking Corporation
②	Amount	:	¥2,900 million
③	Interest Rate	:	Base rate (JPY TIBOR for 1 month) + 0.50% (Note)
④	Drawdown Date	:	April 22, 2014
⑤	Debt Financing Method	:	The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on April 18, 2014.
⑥	Interest Payment Date	:	The first interest payment is due at the end of April 2014, and on the last day of every month thereafter, with the last interest payment due on October 31, 2020. (If the last day of the month is a non-business day, then the interest payment will be due on the previous business day.)
⑦	Repayment Date	:	October 31, 2020 (If this day of the month is a non-business day, then the repayment will be due on the previous business day.)
⑧	Repayment Method	:	Repayment of principal in full on maturity date
⑨	Collateral	:	Unsecured, unguaranteed

Note: The interest rate for the period commencing April 22, 2014 through the end of April, 2014 is 0.64636% (as of April 18, 2014, Japanese Yen TIBOR for 1 month is 0.14636%). Thereafter, the interest rate shall be calculated based on Japanese Yen TIBOR for 1 month, which the JBA TIBOR Administration (the "JBATA") releases two business days before each interest payment date. You can find the Japanese Yen TIBOR of the JBATA on the JBATA website (http://www.jbatibor.or.jp/english/).

3. Use of Funds

The abovementioned debt financing (Series 100) shall be used as a portion of source of funds to acquire the Trust Beneficiary Interest and the payment of associated costs. Furthermore, as the drawdown date of the debt financing is April 22, 2014, the Property will be acquired using cash on hand on April 18, 2014. On April 22, 2014, the entire amount of funds procured through the debt financing will be allocated to cash on hand to compensate for the decrease in cash on hand. In this way, total amount of the aforementioned debt financing is used as a portion of source of funds to acquire the Trust Beneficiary Interest and associated costs.

4. Interest Rate Swap Agreement

(1) Purpose

The Investment Corporation has decided to execute an interest rate swap agreement as a hedge against possible increases in future interest rates for the abovementioned debt financing (Series 100).

(2) Details of the Interest Rate Swap Agreement

Interest Rate Swap Agreement (Series 100)

Counterparty	:	Nomura Securities Co., Ltd.
Notional Amount	:	¥2,900 million
Interest Rates	:	Fixed interest rate for payment: 0.454% Floating interest rate for receipt: base rate (JPY TIBOR for 1 month) (Note)
Commencement Date	:	April 22, 2014
Termination Date	:	October 31, 2020 (If this day of the month is a non-business day, then the repayment will be due on the previous business day.)
Payment Date	:	The first payment is due at the end of April 2014, and on the last day of every month thereafter, with the last interest payment on October 31, 2020. (If the last day of the month is a non-business day, then the payment will be due on the previous business day.)

Note: By entering into the interest rate swap agreement, the interest rate for Series 100 is essentially fixed at 0.954%.

5. Debt Financing Before and After the Borrowing with Corporate Bonds (as of April 22, 2014)

(Millions of yen)

		Debt Financing Before Borrowings	Debt Financing After Borrowings	Difference
	Short-Term Borrowings (Note 1)	6,000.0	6,000.0	0.0
	Long-Term Borrowings (Note 2)	152,570.5	155,470.5	+2,900.0
	Total Borrowings	158,570.5	161,470.5	+2,900.0
	Corporate Bonds	6,300.0	6,300.0	0.0
Total Borrowings and Corporate Bonds		164,870.5	167,770.5	+2,900.0

Notes:

1. Short-term borrowings refer to debt financing with a period less than or equal to one year from the drawdown date to the repayment date. However, the borrowings for which the period until the repayment date have surpassed one year because the repayment date one year from the drawdown date is not a business day, and for which the repayment date has been moved to a different business day, are included in short-term borrowings.
2. Long-term borrowings refer to debt financing with a period more than one year from the drawdown date to the repayment date.

6. Other

For risks concerning the repayment of the aforementioned borrowing, there are no significant changes to the "Investment Risks" as described in the Securities Report (submitted January 30, 2014) for the 17th fiscal period and any amendments thereto.

This notice is the English translation of the Japanese announcement on our Web site released on April 18, 2014. However, no assurance or warranties are given for the completeness or accuracy of this English translation.