KENEDIX
Office Investment Corporation

Translation of Japanese Original

July 8, 2014

To All Concerned Parties

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Notice Concerning Debt Financing (Series 102) and the Execution of Interest Rate Swap Agreements

Kenedix Office Investment Corporation ("the Investment Corporation") today announced its decision to undertake debt financing (total of ¥3,000 million) and the execution of interest rate swap agreements.
Please see below for additional details.

1. Purpose of Debt Financing

The Investment Corporation has decided to execute debt financing agreements to apply the fund towards the payment of Series 94-A (total of ¥3,000 million) with a repayment date of July 10, 2014.

Note: For additional details, please refer to the press release "Notice Concerning Debt Financing (Series 94) and the Execution of an Interest Rate Swap Agreement," dated January 8, 2014 for Series 94-A.

2. Details of Debt Financing

Long-Term Borrowing (Series 102-A)

①	Lender	:	Hiroshima Bank, Ltd.
②	Amount	:	¥500 million
③	Interest Rate	:	Base rate (JPY TIBOR for 1 month) + 0.40% (Note)
④	Drawdown Date	:	July 10, 2014
⑤	Debt Financing Method	:	The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on July 8, 2014.
⑥	Interest Payment Date	:	The first interest payment is due at the end of July 2014, and on the last day of every month thereafter, with the last interest payment due on July 10, 2019. (If these days of the month is a non-business day, then the interest payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)
⑦	Repayment Date	:	July 10, 2019 (If this day of the month is a non-business day, then the repayment will be due on the next 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 July 10, 2014 through the end of July, 2014 is 0.54636% (as of July 8, 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. The Japanese Yen TIBOR of the JBATA is available on the JBATA website (http://www. jbatibor.or.jp/english/).

Long-Term Borrowing (Series 102-B)

①	Lender	:	(1) Mizuho Bank, Ltd. (2) The Nishi-Nippon City Bank, Ltd.
②	Amount	:	(1) ¥2,000 million (2) ¥500 million
③	Interest Rate	:	Base rate (JPY TIBOR for 1 month) + 0.50% (Note)
④	Drawdown Date	:	July 10, 2014
⑤	Debt Financing Method	:	The Investment Corporation executed an individual debt financing agreement with the aforementioned lenders on July 8, 2014.
⑥	Interest Payment Date	:	The first interest payment is due at the end of July 2014, and on the last day of every month thereafter, with the last interest payment due on July 10, 2021. (If these days of the month is a non-business day, then the interest payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)
⑦	Repayment Date	:	July 10, 2021 (If this day of the month is a non-business day, then the repayment will be due on the next 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 July 10, 2014 through the end of July, 2014 is 0.64636% (as of July 8, 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. The Japanese Yen TIBOR of the JBATA is available on the JBATA website (http://www. jbatibor.or.jp/english/).

3. Use of Funds

The abovementioned debt financing (total of ¥3,000 million) will be used for the repayment of Series 94-A.

4. Interest Rate Swap Agreement

(1) Purpose

The Investment Corporation has decided to execute interest rate swap agreements as a hedge against possible increases in future interest rates for the abovementioned debt financing (Series 102).

(2) Details of the Interest Rate Swap Agreements

①Interest Rate Swap Agreement (Series 102-A)

Counterparty	:	Nomura Securities Co., Ltd.
Notional Amount	:	¥500 million
Interest Rates	:	Fixed interest rate for payment: 0.2395% Floating interest rate for receipt: base rate (JPY TIBOR for 1 month) (Note)
Commencement Date	:	July 10, 2014
Termination Date	:	July 10, 2019
Payment Date	:	The first payment is due at the end of July 2014, and on the last day of every month thereafter, with the last interest payment on July 10, 2019. (If these days of the month is a non-business day, then the interest payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)

Note: By entering into the interest rate swap agreement, the interest rate for Series 102-A is essentially fixed at 0.6395%.

②Interest Rate Swap Agreement (Series 102-B)

Counterparty	:	Nomura Securities Co., Ltd.
Notional Amount	:	¥2,000 million
Interest Rates	:	Fixed interest rate for payment: 0.4025% Floating interest rate for receipt: base rate (JPY TIBOR for 1 month) (Note)

Commencement Date	:	July 10, 2014
Termination Date	:	July 10, 2021
Payment Date	:	The first payment is due at the end of July 2014, and on the last day of every month thereafter, with the last interest payment on July 10, 2021. (If these days of the month is a non-business day, then the interest payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)

Note: By entering into the interest rate swap agreement, the interest rate for Series 102-B is essentially fixed at 0.9025%.

③Interest Rate Swap Agreement (Series 102-B)

Counterparty	:	Nomura Securities Co., Ltd.
Notional Amount	:	¥500 million
Interest Rates	:	Fixed interest rate for payment: 0.XXX% Floating interest rate for receipt: base rate (JPY TIBOR for 1 month) (Note)
Commencement Date	:	July 10, 2014
Termination Date	:	July 10, 2021
Payment Date	:	The first payment is due at the end of July 2014, and on the last day of every month thereafter, with the last interest payment on July 10, 2021. (If these days of the month is a non-business day, then the interest payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)

Note: By entering into the interest rate swap agreement, the interest rate for Series 102-B is essentially fixed at 0.9025%.

5. Debt Financing Before and After the Borrowings with Corporate Bonds (as of July 10, 2014)

(Millions of yen)

	Debt Financing Before Borrowings	Debt Financing After Borrowings	Difference
Short-Term Borrowings (Note 1)	8,500.0	5,500.0	-3,000.0
Long-Term Borrowings (Note 2)	155,446.5	158,446.5	3,000.0
Total Borrowings	163,946.5	163,946.5	0.0
Corporate Bonds	6,300.0	6,300.0	0.0
Total Borrowings and Corporate Bonds	170,246.5	170,246.5	0.0

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 borrowings, there are no significant changes to the "Investment Risks" as described in the Securities Report, submitted May 8, 2014, and any amendments thereto.

This notice is the English translation of the Japanese announcement on our Web site released on July 8, 2014. However, no assurance or warranties are given for the completeness or accuracy of this English translation.