KENEDIX
Office Investment Corporation

Translation of Japanese Original

October 29, 2014

To All Concerned Parties

REIT Issuer:
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(Securities Code: 8972)

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Notice Concerning Debt Financing (Series 112) and the Execution of Interest Rate Swap Agreements

Kenedix Office Investment Corporation ("the Investment Corporation") today announced its decision to undertake a total of ¥10,500 million in borrowings 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 fund towards the payment of Term Loan 65-B (total of ¥5,000 million), Term Loan 65-C (total of ¥2,500 million) and Series 90-A (total of ¥3,000 million) with a repayment date of October 31, 2014.

Note: For additional details, please refer to the press release "Notice Concerning Debt Financing (Term Loan 65) and Interest Rate Swap Agreement," dated December 19, 2011, for Term Loan 65-B and 65-C. Furthermore, please refer to the press release "Notice Concerning Debt Financing (Series 90) and Interest Rate Swap Agreement and the Execution of an Interest Rate Swap Agreement," dated October 29, 2013, for Series 90-A.

2. Details of Debt Financing

Long-Term Borrowing (Series 112-A)

①	Lender	:	Mitsubishi UFJ Trust and Banking Corporation
②	Amount	:	¥3,000 million
③	Interest Rate	:	Base rate (JPY TIBOR for 3 months) + 0.45% (Note)
④	Drawdown Date	:	October 31, 2014
⑤	Debt Financing Method	:	The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on October 29, 2014.
⑥	Interest Payment Date	:	The first interest payment is due by the end of November 2014, and on the last day of every month thereafter, with the last interest payment due on October 31, 2021. (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, 2021 (If this day 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 October 31, 2014 through the end of November 2014 is 0.59000% (as of October 29, 2014, Japanese Yen TIBOR for 1 month is 0.14000%). 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 112-B)

①	Lender	:	(1) Resona Bank, Limited. (2) Development Bank of Japan Inc. (3) The Bank of Tokyo-Mitsubishi UFJ, Ltd.
②	Amount	:	(1) ¥2,000 million (2) ¥1,500 million (3) ¥1,000 million
③	Interest Rate	:	(1) Base rate (JPY TIBOR for 1 month) + 0.55% (Note) (2) Fixed interest rate: 1.12625% (3) Base rate (JPY TIBOR for 1 month) + 0.55% (Note)
④	Drawdown Date	:	October 31, 2014
⑤	Debt Financing Method	:	The Investment Corporation executed individual debt financing agreements with the aforementioned lenders on October 29, 2014.
⑥	Interest Payment Date	:	(1) The first interest payment is due by the end of November 2014, and on the last day of every month thereafter, with the last interest payment due on October 31, 2023. (If the last day of the month is a non-business day, then the interest payment will be due on the previous business day.) (2) The first interest payment is due by the end of April 2015, and on the last day of every six-month period thereafter, with the last interest payment due on October 31, 2023. (If the last day of the month is a non-business day, then the interest payment will be due on the previous business day.) (3) The first interest payment is due by the end of November 2014, and on the last day of every month thereafter, with the last interest payment due on October 31, 2023. (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, 2023 (If this day 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 Series 112-B (1) (3), period commencing October 31, 2014 through end of November 2014 is 0.69000% (as of October 29, 2014, Japanese Yen TIBOR for 1 month is 0.14000%). Thereafter, the interest rate shall be calculated based on Japanese Yen TIBOR for 1 month, which 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/).

Long-Term Borrowing (Series 112-C)

①	Lender	:	(1) Sumitomo Mitsui Banking Corporation (2) Development Bank of Japan Inc.
②	Amount	:	(1) ¥2,000 million (2) ¥1,000 million
③	Interest Rate	:	(1) Base rate (JPY TIBOR for 1 month) + 0.65% (Note) (2) Fixed interest rate: 1.25875%
④	Drawdown Date	:	October 31, 2014
⑤	Debt Financing Method	:	The Investment Corporation executed individual debt financing agreements with the aforementioned lenders on October 29, 2014.
⑥	Interest Payment Date	:	(1) The first interest payment is due by the end of November 2014, and on the last day of every month thereafter, with the last interest payment due on October 31, 2024. (If the last day of the month is a non-business day, then the interest payment will be due on the previous business day.)

(2) The first interest payment is due by the end of April 2015, and on the last day of every six-month period thereafter, with the last interest payment due on October 31, 2024.
(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, 2024
(If this date 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 Series 112-C (1), period commencing October 31, 2014 through end of November 2014 is 0.79000% (as of October 29, 2014, Japanese Yen TIBOR for 1 month is 0.14000%). Thereafter, the interest rate shall be calculated based on Japanese Yen TIBOR for 1 month, which 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 (total of ¥10,500 million) will be used for the repayment of Term Loan 65-B, Term Loan 65-C and Series 90-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 above mentioned borrowings, Series 112-A, Series 112-B (1) (3) and Series 112-C (1).

(2) Details of the Interest Rate Swap Agreements

① Interest Rate Swap Agreement (Series 112-A)

Counterparty	:	Nomura Securities Co, Ltd.
Notional Amount	:	¥3,000 million
Interest Rates	:	Fixed interest rate for payment: 0.35200% Floating interest rate for receipt: base rate (JPY TIBOR for 1 month) (Note)
Commencement Date	:	October 31, 2014
Termination Date	:	October 31, 2021
Payment Date	:	The first payment is due by the end of November 2014, and on the last day of every month thereafter, with the last interest payment on October 31, 2021. (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 112-A is essentially fixed at 0.80200%.

② Interest Rate Swap Agreement (Series 112-B (1) (3))

Counterparty	:	Nomura Securities Co., Ltd.
Notional Amount	:	(1) ¥2,000 million (3) ¥1,000 million
Interest Rates	:	Fixed interest rate for payment: 0.52100% Floating interest rate for receipt: base rate (JPY TIBOR for 1 month) (Note)
Commencement Date	:	October 31, 2014
Termination Date	:	October 31, 2023
Payment Date	:	The first payment is due by the end of November 2014, and on the last day of every month thereafter, with the last interest payment on October 31, 2023. (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 agreements, the interest rate for Series 112-B (1) (3) are essentially fixed at 1.07100%.

③ Interest Rate Swap Agreement (Series 112-C (1))

Counterparty	:	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Notional Amount	:	¥2,000 million
Interest Rates	:	Fixed interest rate for payment: 0.60725% Floating interest rate for receipt: base rate (JPY TIBOR for 1 month) (Note)
Commencement Date	:	October 31, 2014
Termination Date	:	October 31, 2024
Payment Date	:	The first payment is due by the end of November 2014, and on the last day of every month thereafter, with the last interest payment on October 31, 2024. (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 112-C (1) is essentially fixed at 1.25725%.

5. Debt Financing Before and After the Borrowings with Corporate Bonds (as of October 31, 2014)

(Millions of yen)

	Debt Financing Before Borrowings	Debt Financing After Borrowings	Difference
Short-Term Borrowings (Note 1)	18,900.0	15,900.0	-3,000.0
Long-Term Borrowings (Note 2)	160,509.0	163,485.0	+2,976.0*
Total Borrowings	179,409.0	179,385.0	-24.0*
Corporate Bonds	8,300.0	8,300.0	0.0
Total Borrowings and Corporate Bonds	187,709.0	187,685.0	-24.0*

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.

*A portion of this amount is reflected for amortization based on debt financing agreements other than for Series 112.

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 July 30, 2014).

This notice is the English translation of the Japanese announcement on our Web site released on October 29, 2014. However, no assurance or warranties are given for the completeness or accuracy of this English translation.