KENEDIX
Retail REIT Corporation

Translation of Japanese Original

February 8, 2017

To All Concerned Parties

REIT Issuer:
Kenedix Retail REIT Corporation
Representative: Akihiro Asano, Executive Director
(Securities Code: 3453)

Asset Manager:
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Notice Concerning Debt Financing (Series 10)

Kenedix Retail REIT Corporation ("KRR") announced today its decision to undertake debt financing (for a total of 2,000 million yen).

1. Details of debt financing

Series	Lender	Amount (million yen)	Interest rate (Note 1) (Note 2)	Contract date	Drawdown date	Principal repayment date (Note 2)	Collateral / Repayment method
10-1	Sumitomo Mitsui Banking Corporation	450	Base rate (Note 3) (JBA JPY 1-month TIBOR) +0.40%	February 8, 2017	February 10, 2017	February 10, 2018	Unsecured, unguaranteed Repayment of principal in full on maturity date
10-2	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	450					
10-3	Mizuho Bank, Ltd.	400					
10-4	Resona Bank, Ltd.	250					
10-5	Aozora Bank, Ltd.	250					
10-6	Sumitomo Mitsui Trust Bank, Ltd.	200					

Notes:

1. The first interest payment will be made at the end of February 2017, and on the last day of every month thereafter, with the last interest payment on the principal repayment day.
2. The interest payment will be the following business day in case such date falls on a day that is not a business day and the preceding business day in case such date falls in the next calendar month.
3. The JBA JPY TIBOR is available on the JBA TIBOR Administration website (http://www.jbatibor.or.jp/english/).

2. Purpose of debt financing

The proceeds of this debt financing are expected to be used towards the repayment of the Borrowing Series 5-1 (JPY 450 million), Series 5-2 (JPY 450 million), Series 5-3 (JPY 400 million), Series 5-4 (JPY 250 million), Series 5-5 (JPY 250 million) and Series 5-6 (JPY 200 million) with the repayment date of February 10, 2017. For details of Borrowing Series 5, please refer to KRR's press release "Notice Concerning the Borrowings (Series 5)" dated February 8, 2016.

3. Status of borrowings and corporate bonds after the borrowings (as of February 10, 2017)

(millions of yen)

	Before the borrowings	After the borrowings	Difference
Short-term borrowings (Note 1)	11,470.0	11,470.0	-
Long-term borrowings (Note 2)	61,230.0	61,230.0	-
Total borrowings	72,700.0	72,700.0	-
Corporate bonds	2,000.0	2,000.0	-
Total borrowings and corporate bonds	74,700.0	74,700.0	-
Other interest-bearing debt (Note 3)	2,578.2	2,578.2	-
Total interest-bearing debt	77,278.2	77,278.2	-

Notes:

1. Short-term borrowings refer to the amount of debt financing with a period of less than or equal to one year from the borrowing date to the maturity date. However, in the case where the maturity date has been moved to a different business day because the maturity date of one year from the borrowing date is not a business day, and as a result the borrowing period surpasses one year, the borrowings are included in short-term borrowings.
2. Long-term borrowings refer to the amount of debt financing with a period of more than one year from the borrowing date to the maturity date.
3. Other interest-bearing debt refers to the amount of interest-bearing tenant security deposits as of February 10, 2017.

4. Other matters

Risks pertaining to the prepayment of the borrowed funds remain unchanged from those listed in the securities report of KRR submitted on December 26, 2016.

Note: KRR's website address: http://www.krr-reit.com/en/

This notice is the English translation of the Japanese announcement on February 8, 2017. However, no assurance or warranties are given for the completeness or accuracy of this English translation.