KENEDIX
Retail REIT Corporation

Translation of Japanese Original

May 16, 2017

To All Concerned Parties

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

Asset Manager:
Kenedix Real Estate Fund Management, Inc.
Representative: Masahiko Tajima, CEO and President
Contact: Koichiro Nobata, General Manager of Planning Department, Retail REIT Division
TEL: +81-3-5623-3868

Notice Concerning Debt Financing (Determination of Interest Rate) and Execution of Interest Rate Swap Agreement

Kenedix Retail REIT Corporation ("KRR") announced today the applicable interest rates for long-term borrowings in the following table. KRR also executed an interest rate swap agreement regarding long-term borrowing as follows.

1. Determination of interest rates

Series	Lender	Amount (million yen)	Interest rate	Drawdown date	Principal repayment date
14-A	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500	0.90300% (Fixed rate) (Note 1)	May 18, 2017	October 31, 2026
14-C-1	Development Bank of Japan Inc.	500	1.05000% (Fixed rate) (Note 2)		May 18 2027
14-C-2	Mizuho Bank, Ltd.	500	1.04880% (Fixed rate) (Note 2)		
14-C-3	Mizuho Trust & Banking Co., Ltd.	300	1.05000% (Fixed rate) (Note 2)		

Notes:
1. The rate is to be applied from May 18, 2017 through October 31, 2026.
2. The rate is to be applied from May 18, 2017 through May 18, 2027.
3. The above-mentioned borrowings are unsecured and unguaranteed.

For details of above-mentioned borrowings, please refer to the KRR's press release "Notice Concerning Debt Financing (Series 11/Series 12/Series 13/Series 14) and Execution of Interest Rate Swap" announced on April 14, 2017.

Disclaimer: This press release is not an offer to sell or a solicitation of any offer to buy the securities of KRR in the United States or elsewhere. Investment units may not be offered or sold in the United States without registration or an exemption from registration under the United States Securities Act of 1933 (the "Securities Act"). Any public offering of investment units to be made in the United States will be made by means of an English language prospectus prepared in accordance with the Securities Act that may be obtained from KRR and that will contain detailed information about KRR and its management, as well as KRR's financial statements. However, KRR will not undertake a public offering and sale of investment units in the United States, and the investment units have not been and will not be registered under the Securities Act.

2. Details of interest rate swap agreement

Series		14-B-1	14-B-2	14-B-3
Counterparty		Sumitomo Mitsui Trust Bank, Ltd.		
Notional amount (million yen)		500	500	400
Interest rates	Fixed interest rate for payment	0.28280%		
	Floating interest rate for receipt	Base rate (JBA JPY 1-month TIBOR)		
Commencement date		May 18, 2017		
Termination date		May 18, 2027		
Payment date		The first payment will be made at the end of May 2017, and on the last day of every month thereafter, with the last payment on the principal repayment day. (The interest payment will be made on 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)		

Note: By entering into the interest rate swap agreement, the interest rate for Series 14-B is essentially fixed at 1.03280%.

For further details concerning long-term borrowings (Series 14-B) as well as the reasons for our execution of the interest rate swap above, please refer to the KRR's press release "Notice Concerning Debt Financing (Series 11/Series 12/Series 13/Series 14) and Execution of Interest Rate Swap" announced on April 14, 2017.

3. Future outlook

There are no changes to the forecasts of financial results of KRR published in the "Notice Concerning Revisions to Earnings and Distributions Forecasts for the Fiscal Period Ending September 30, 2017, and Earnings and Distributions Forecasts for the Fiscal Period Ending March 31, 2018" dated March 31, 2017 as the impact on the financial results is minimal.

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

This notice is the English translation of the Japanese announcement on May 16, 2017. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Disclaimer: This press release is not an offer to sell or a solicitation of any offer to buy the securities of KRR in the United States or elsewhere. Investment units may not be offered or sold in the United States without registration or an exemption from registration under the United States Securities Act of 1933 (the "Securities Act"). Any public offering of investment units to be made in the United States will be made by means of an English language prospectus prepared in accordance with the Securities Act that may be obtained from KRR and that will contain detailed information about KRR and its management, as well as KRR's financial statements. However, KRR will not undertake a public offering and sale of investment units in the United States, and the investment units have not been and will not be registered under the Securities Act.