KENEDIX
Retail REIT Corporation

Translation of Japanese Original

July 11, 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.
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Notice Concerning Debt Financing (Series 15)

Kenedix Retail REIT Corporation ("KRR") announced today its decision to undertake debt financing (for a total of 8,500 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
15	Sumitomo Mitsui Trust Bank, Ltd.	8,500	Base rate (Note 3) (JBA JPY 1-month TIBOR) +0.40%	July 12, 2017	August 1, 2017	July 31, 2018	Unsecured, unguaranteed Repayment of principal in full on maturity date

Notes:

1. The first interest payment will be made at the end of August 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

KRR has decided to execute a debt financing agreement to raise funds for the acquisition of a property (acquisition price of 7,911 million yen) and certain related costs pertaining to the acquisition. Please refer to the press release "Notice Concerning Acquisition of Property (Resora Obu Shopping Terrace)" released today for the details of the property.

3. Status of borrowings and corporate bonds after the borrowings (as of August 1, 2017)

(millions of yen)

	Before the borrowings	After the borrowings	Difference
Short-term borrowings (Note 1)	12,670.0	21,170.0	+8,500.0
Long-term borrowings (Note 2)	74,730.0	74,730.0	-
Total borrowings	87,400.0	95,900.0	+8,500.0
Corporate bonds	2,000.0	2,000.0	-
Total borrowings and corporate bonds	89,400.0	97,900.0	+8,500.0
Other interest-bearing debt (Note 3)	2,360.5	2,360.5	-
Total interest-bearing debt	91,760.5	100,260.5	+8,500.0

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 August 1, 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 June 29, 2017.

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

This notice is the English translation of the Japanese announcement on July 11, 2017. However, no assurance or warranties are given for the completeness or accuracy of this English translation.