KENEDIX
Retail REIT Corporation

Translation of Japanese Original

August 24, 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, President & CEO
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Notice Concerning Partial Early Repayment of Borrowings

Kenedix Retail REIT Corporation ("KRR") announced its decision to undertake partial early repayment of short-term borrowing ("early repayment") as follows.

1. Details of early repayment
   (1) Short-term borrowing (Series 15)

①	Lender:	Sumitomo Mitsui Trust Bank, Ltd.
②	Amount outstanding:	8,500 million yen
③	Repayment amount:	3,000 million yen
④	Amount outstanding after repayment:	5,500 million yen
⑤	Interest rate:	JBA JPY 1-month TIBOR + 0.40%
⑥	Borrowing date:	August 1, 2017
⑦	Maturity date:	July 31, 2018
⑧	Collateral:	Unsecured, unguaranteed

   (2) Date of prepayment: August 31, 2017

2. Funds for repayment
   The repayment will be made using the proceeds from the issuance of investment corporation bonds described in KRR's press release "Notice Concerning Issuance of Investment Corporation Bonds" dated August 24, 2017, and cash on hand.

3. Status of borrowings and corporate bonds after the prepayment of borrowings (as of August 31, 2017)

(millions of yen)

	Before the prepayment	After the prepayment	Difference
Short-term borrowings (Note 1)	21,170.0	18,170.0	-3,000.0
Long-term borrowings (Note 2)	74,730.0	74,730.0	-
Total borrowings	95,900.0	92,900.0	-3,000.0
Corporate bonds	2,000.0	5,000.0	+3,000.0
Total borrowings and corporate bonds	97,900.0	97,900.0	-
Other interest-bearing debt (Note 3)	2,324.2	2,324.2	-
Total interest-bearing debt	100,224.2	100,224.2	-

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 August 31, 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 August 24, 2017. However, no assurance or warranties are given for the completeness or accuracy of this English translation.