KENEDIX
Office Investment Corporation

Translation of Japanese Original

January 29, 2020

To All Concerned Parties

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(Securities Code: 8972)

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Notice Concerning Debt Financing (Series 170 and 171) and Execution of Interest Rate Swap Agreements

Kenedix Office Investment Corporation ("the Investment Corporation") has announced today, that the Investment Corporation decided to undertake the debt financing (total of 9,700 million yen) and the execution of an interest rate swap agreements.
Please see below for the details.

1. Outline of Debt Financing

Series	Lender	Amount	Interest Rate (Note 1) (Note 2)	Contract Date	Drawdown Date	Principal Repayment Date (Note 1)	Collateral・Repayment Method
170-A	MUFG Bank, Ltd.	500 million yen	Base rate (JPY TIBOR for 3 months) +0.25000%	January 29, 2020	January 31, 2020	January 31, 2021	Unsecured, unguaranteed・Repayment of principal in full on maturity date
	Sumitomo Mitsui Trust Bank, Limited	500 million yen	Base rate (JPY TIBOR for 3 months) +0.25000%				
170-B	Sumitomo Mitsui Trust Bank, Limited	700 million yen	Base rate (JPY TIBOR for 3 months) +0.35000%			January 31, 2025	
170-C	Sumitomo Mitsui Trust Bank, Limited	1,500 million yen	Base rate (JPY TIBOR for 3 months) +0.45000%			January 31, 2027	
170-D	Sumitomo Mitsui Trust Bank, Limited	1,500 million yen	Base rate (JPY TIBOR for 3 months) +0.55000%			January 31, 2029	
171	Mizuho Bank, Ltd.	4,200 million yen	Base rate (JPY TIBOR for 1 month) +0.20000%			January 31, 2021	
	Mizuho Trust & Banking Co., Ltd.	800 million yen	Base rate (JPY TIBOR for 1 month) +0.20000%				

Note 1: The first interest payment of Series 170 is due at the end of April 2020, and on the last day of every 3 months thereafter with the principal repayment day. The first interest payment of Series 171 is due at the end of February 2020, and on the last day of every month thereafter with the principal repayment day. If each interest payment day or the principal repayment day is a non-business day, then the interest payment or the principal repayment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.

Note 2: The base rates that are applied during interest period for the interest due on each interest payment date for Series170 shall be calculated based on Japanese Yen TIBOR for 3 months, which the JBA TIBOR Administration ("the JBATA") releases two business days before each interest payment date and for Series171 shall be calculated based on Japanese Yen TIBOR for 1 month, which 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/rate/).

2. Purpose of Debt Financing

Series 170-A is to apply the fund towards the repayment of Series 161 (1,000 million yen) with the principal repayment date of January 31,2020, Series 170-B,170-C and 170-D are to apply the fund towards the repayment of Series 96-B (3,700 million yen) with the principal repayment date of January 31,2020, and Series 171 is to apply the fund towards a part of acquisition funds and related costs for Tosabori Prime to be acquired on January 31,2020.

Note: For details of the acquisition, please refer to the press release, "Notice Concerning Acquisition of Property (Tosabori Prime)" dated January 29, 2020.

3. Interest Rate Swap Agreements

(1)Purpose

For a hedge against possible increases in future interest rate of the debt financing (Series170-B, Series170-C and Series170-D).

(2)Details of Interest Rate Swap Agreements

Series		170-B	170-C	170-D
Counterparty		Nomura Securities Co.,Ltd.		
Notional Amount		700 million yen	1,500 million yen	1,500 million yen
Interest Rate	Fixed Interest Rate for Payment (Note)	0.05600%	0.07600%	0.12500%
	Floating Interest Rate for Receipt	Base rate (JPY TIBOR for 3 months)		
Commencement Date		January 31, 2020		
Termination Date		January 31, 2025	January 31, 2027	January 31, 2029
Payment Date		The first payment is due at the end of April 2020, and on the last day of every 3 months thereafter with the termination date. (If each payment day is a non-business day, then the payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)		

Note: By entering into the interest rate swap agreements, the interest rates on Series 170-B, 170-C and 170-D are essentially fixed at 0.40600%, 0.52600% and 0.67500%, respectively.

4. Status of Borrowings and Investment Corporation Bonds after the Debt Financing (as of January 31, 2020)

(Millions of yen)

Classification	Balance before the Debt Financing	Balance after the Debt Financing	Difference
Short-Term Borrowings (Note 1)	1,000	6,000	+5,000
Long-Term Borrowings (Note 2)	176,050	176,050	0
Total Borrowings	177,050	182,050	+5,000
Investment Corporation Bonds	10,000	10,000	0
Total Borrowings and Investment Corporation Bonds	187,050	192,050	+5,000

Note 1: Short-term borrowings refer to debt financing with a period less than or equal to one year from the drawdown date to the principal repayment date. However, the borrowings for which the period until the principal repayment date has surpassed one year because the principal repayment date after one year from the drawdown date is not a business day, and for which the principal repayment date has been moved to a different business day, are included in short-term borrowings.

Note 2: Long-term borrowings refer to debt financing with a period more than one year from the drawdown date to the principal repayment date.

5. Other

For risks concerning the repayment, etc. of the aforementioned debt financing, there are no significant changes to the "Investment Risks" as described in the Securities Report (submitted on July 30, 2019).

The Investment Corporation's website: https://www.kdo-reit.com/en/

This notice is the English translation of the Japanese announcement on our website released on January 29, 2020. However, no assurance or warranties are given for the completeness or accuracy of this English translation.