KENEDIX
Residential NEXT Investment Corporation

Translation of Japanese Original

October 6, 2021

To All Concerned Parties

REIT Issuer:
Kenedix Residential Next Investment Corporation
Representative: Shin Yamamoto, Executive Director
(Securities Code: 3278)

Asset Management Company:
Kenedix Real Estate Fund Management, Inc.
Representative: Masahiko Tajima, President & CEO
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Notice Regarding Conclusion of Alliance Agreement with Sumitomo Mitsui Finance and Leasing Co., Ltd. and SMFL MIRAI Partners Co., Ltd.

Kenedix Real Estate Fund Management, Inc. ("the Asset Management Company") to which Kenedix Residential Next Corporation ("the Investment Corporation") entrusts the management of assets, hereby announces today that it has entered into an alliance agreement ("the Alliance Agreement") with Sumitomo Mitsui Finance and Leasing Co., Ltd. ("SMFL") and SMFL MIRAI Partners Co., Ltd. ("FLMP").

1. Reason for entering into the Alliance Agreement

As announced in the "Announcement Concerning Changes in Parent Companies (Specified Related Corporation) of the Asset Management Company" released on January 12, 2021, SMFL and FLMP became the parent companies (specified related corporations) of the Asset Management Company through a tender offer to Kenedix, Inc., the parent company of the Asset Management Company, conducted via FLMP's wholly-owned subsidiary SMFL MIRAI Partners Investment 2 Co., Inc. In addition, Kenedix, Inc. and SMFL entered into a capital-business alliance on November 20, 2020. Upon these measures, the Asset Management Company agreed with SMFL and FLMP to expand the support which SMFL and FLMP have been providing to Kenedix Retail REIT Corporation to other REITs which the Asset Management Company manages. Through the Alliance Agreement with SMFL and FLMP, the REITs including the Investment Corporation, which the Asset Management Company manages can expect to promote their growth strategies and contribute to further enhancement of their unitholder value by making maximum use of their extensive support including pipeline support from SMFL and FLMP.

2. Overview of the Alliance Agreement

(1) Details of support provided through the Alliance Agreement

- Pipeline support to the Asset Management Company
- Acquisition support through warehousing support by FLMP and financing for warehousing SPCs by SMFL
- Provision of environmentally-friendly technology and knowhow
- Other necessary support including cooperation in securing human resources and provision of training

(2) Contract period

The contract period of the Alliance Agreement is one year from the date of execution of the Alliance Agreement. However, if no written offer is made by either party to the Alliance Agreement to all other parties six months prior to the date of expiry, the Alliance Agreement will be renewed for one year from the day following the date of expiry.

(3) Outline of the Alliance Companies

Name		Sumitomo Mitsui Finance and Leasing Company, Limited
Location		3-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo
Representative		Makoto Horie, Chairman of the Board Masaki Tachibana, President
Business description		1. Leasing and installment sales of a variety of equipment and machinery 2. Loans and factoring 3. Other 4. Services relating to above-mentioned businesses
Paid-in capital		15,000 million yen (as of March 31, 2021)
Establishment		February 1963
Net assets		922,067 million yen (as of March 31, 2021)
Total assets		7,041,995 million yen (as of March 31, 2021)
Major shareholder and shareholding ratio (As of March 31, 2021)		Sumitomo Mitsui Financial Group, Inc. 50.0% Sumitomo Corporation 50.0%
Relationship between the Investment Corporation/Asset Management Company and the parent company (specified related corporation)		
	Capital relationship	The company is the Asset Management Company's parent company indirectly holding 70% of the Asset Management Company's outstanding shares as of today. It is deemed a related party under the Investment Trust Law.
	Personnel relationship	There is no special personnel relationship between the Investment Corporation/ Asset Management Company and the company.
	Business relationship	The company, as an Alliance Company for the Investment Corporation, provides pipeline support, etc. for the Investment Corporation in accordance with the Alliance Agreement as of today.
	Related parties	The company is the Asset Management Company's parent company indirectly holding 70% of the Asset Management Company's outstanding shares as of today. It is deemed a related party.

Name	SMFL MIRAI Partners Company, Limited
Location	3-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo
Representative	Tatsurou Terada, President
Business description	1. Real estate business 2. Environmental and energy business 3. Other 4. Services relating to above-mentioned businesses
Paid-in capital	200 million yen (as of March 31, 2021)
Establishment	October 1, 2018
Net assets	22,527 million yen (as of March 31, 2021)
Total assets	979,064 million yen (as of March 31, 2021)
Major shareholder and shareholding ratio (As of March 31, 2021)	Sumitomo Mitsui Finance and Leasing Company, Limited 100.0%
Relationship between the Investment Corporation/Asset Management Company and the parent company	

(specified related corporation)		
	Capital relationship	The company is the Asset Management Company's parent company indirectly holding 70% of the Asset Management Company's outstanding shares as of today. It is deemed a related party under the Investment Trust Law.
	Personnel relationship	There is no special personnel relationship between the Investment Corporation/ Asset Management Company and the company.
	Business relationship	The company, as an Alliance Company for the Investment Corporation, provides pipeline support, etc. for the Investment Corporation in accordance with the Alliance Agreement as of today. The company is the seller of (H-26) Rehabili-home Granda Kobe Kitano which the Investment Corporation acquired on June 1, 2021.
	Related parties	The company is the Asset Management Company's parent company indirectly holding 70% of the Asset Management Company's outstanding shares as of today. It is deemed a related party.

* Website URL of the Investment Corporation: https://www.kdr-reit.com/en/

[Provisional Translation Only]
English translation of the original Japanese document is provided solely for information purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.