KENEDIX
Retail REIT Corporation

Translation of Japanese Original

October 20, 2022

To All Concerned Parties

REIT Issuer:
Kenedix Retail REIT Corporation
Representative: Moyuru Watanabe, Executive Director
(Securities Code: 3453)

Asset Manager:
Kenedix Real Estate Fund Management, Inc.
Representative: Masahiko Tajima, President & CEO
Contact: Koichiro Nobata, Head of Strategic Planning, Retail REIT Department
TEL: +81-3-5157-6013

Notice Concerning Debt Financing (Series 49) and Execution of Interest Rate Swaps

Kenedix Retail REIT Corporation ("KRR") announced today its decision to undertake debt financing (for a total of 5,000 million yen) (the "Borrowings") and the execution of interest rate swap agreements. The details are provided as follows.

1. Details of debt financing

Series	Lender	Amount (millions of yen)	Interest rate (Note 1)	Contract date	Drawdown date	Principal repayment date (Note 1)	Collateral / Repayment method
49-A-1	Sumitomo Mitsui Banking Corporation	500	Base rate (JBA TIBOR for 3-month) +0.32500% (Note 2)	October 24, 2022	October 26, 2022	April 30, 2024	Unsecured, unguaranteed / Repayment of principal in full on maturity date
49-A-2	Sumitomo Mitsui Trust Bank, Ltd.	400					
49-A-3	Mizuho Trust & Banking Co., Ltd.	300					
49-B-1	Shinkin Central Bank	500	Base rate (JBA TIBOR for 3-month) +0.30000% (Note 2)			September 30, 2026	
49-B-2	Resona Bank, Ltd	400					
49-C	MUFG Bank, Ltd	500	To be determined (Fixed rate) (Note 3)				

Series	Lender	Amount (millions of yen)	Interest rate (Note 1)	Contract date	Drawdown date	Principal repayment date (Note 1)	Collateral / Repayment method
49-D-1	Sumitomo Mitsui Banking Corporation	500	Base rate (JBA TIBOR for 3-month) +0.37500% (Note 2)	October 24, 2022	October 26, 2022	April 30, 2028	Unsecured, unguaranteed / Repayment of principal in full on maturity date
49-D-2	Shinkin Central Bank	500					
49-D-3	Mizuho Bank, Ltd.	300					
49-E	Shinsei Bank Ltd.	500	To be determined (Fixed rate) (Note 3)			October 31, 2028	
49-F	Kansai Mirai Bank, Ltd.	600				September 30, 2030	

Notes:
1. The first interest payment for Series 49-A, Series 49-D and Series 49-E will be made at the end of October 2022 and for other borrowings will be made at the end of December 2022, and on the last day of every three months thereafter, with the last interest payment on the principal repayment day. The interest payment and the principal repayment 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.
2. The JBA TIBOR is available on the JBA TIBOR Administration website (https://www.jbatibor.or.jp/english/).
3. The undecided matter will be announced after the decision is made.

2. Purpose of debt financing

The proceeds of the Borrowings will be applied to the portion of the acquisition of iias Kasugai scheduled on October 26, 2022 (anticipated acquisition price of 14,490 million yen) ("Property to be Acquired"). For details of the Property to be Acquired, please refer to the press release "Notice Concerning Acquisition of Properties and Contract of New Leases (iias Kasugai and Coop Sapporo Shunko)" dated October 6, 2022.

3. Interest rate swap agreements

(1) Purpose of interest rate swap agreements

For a hedge against possible increases in future interest rate for the Series 49 with floating interest rates.

(2) Details of expected interest rate swap agreements

Series		49-B-1	49-B-2
Counterparty		To be determined and announced upon determination	
Notional amount (millions of yen)		500	400
Interest rates	Fixed interest rate for payment	To be determined and announced upon determination	
	Floating interest rate for receipt	Base rate (JBA TIBOR for 3-month)	
Commencement date		October 26, 2022	
Termination date		September 30, 2026	

Payment date (Note)	The first payment will be made at the end of December 2022, and the rest of the payments will be made on the last day of every three months thereafter, with the last payment on the principal repayment date.

Series		49-D-1	49-D-2	49-D-3
Counterparty		To be determined and announced upon determination		
Notional amount (millions of yen)		500	500	300
Interest rates	Fixed interest rate for payment	To be determined and announced upon determination		
	Floating interest rate for receipt	Base rate (JBA TIBOR for 3-month)		
Commencement date		October 26, 2022		
Termination date		April 30, 2028		
Payment date (Note)		The first payment will be made at the end of October 2022, and the last day of every three months thereafter, with the last payment on the principal repayment date.		

Note: The payment will be made on the following business day in case such date falls on a non-business day and the preceding business day in case such date falls in the next calendar month.

4. Status of interest-bearing debt after the Borrowings (as of October 26, 2022)

(Millions of yen)

Category	Balance before the Borrowings	Balance after the Borrowings	Difference
Short-term borrowings (Note 1)	750	750	–
Long-term borrowings (Note 2)	113,550	118,500	+5,000
Total borrowings	114,300	119,300	+5,000
Investment corporation bonds	10,000	10,000	–
Total borrowings and investment corporation bonds	124,300	129,300	+5,000

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.

5. Other matters

Risks pertaining to the Borrowings and the repayment remain unchanged from the description of "Investment Risks" described in the securities registration statement submitted on October 6, 2022.

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

This notice is the English translation of the Japanese announcement on October 20, 2022. However, no assurance or warranties are given for the completeness or accuracy of this English translation.