

Translation of Japanese Original

November 6, 2020

To All Concerned Parties

REIT Issuer:  
Kenedix Office Investment Corporation  
Jiro Takeda, Executive Director  
(Securities Code: 8972)

Asset Management Company:  
Kenedix Real Estate Fund Management, Inc.  
Masahiko Tajima, President & CEO

Inquiries:  
Hiroaki Momoi  
Head of Planning Division  
Office REIT Department  
TEL: +81-3-5157-6010

**Notice Concerning Debt Financing (Series 179) and Execution of Interest Rate Swap Agreements and Prepayment of Borrowing (Series 174-A)**

Kenedix Office Investment Corporation (“the Investment Corporation”) has announced today, that the Investment Corporation decided to undertake the debt financing (total of 2,500 million yen) and the execution of interest rate swap agreements and prepayment of borrowing.

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
179-A	MUFG Bank, Ltd.	1,300 million yen	Base rate (JPY TIBOR for 3 months) +0.42500%	November 10, 2020	November 12, 2020	April 30, 2027	Unsecured, unguaranteed · Repayment of principal in full on maturity date
179-B	MUFG Bank, Ltd.	700 million yen	Base rate (JPY TIBOR for 3 months) +0.60000%			November 12, 2030	
	Aozora Bank, Ltd.	500 million yen					

Note 1: The first interest payment is due at the end of January 2021, and on the last day of every 3 months 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 shall be calculated based on Japanese Yen TIBOR for 3 months, 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 179 is to apply the fund towards the repayment of Series 91-B (2,500 million yen) with the principal repayment date of November 12, 2020.

**3. Interest Rate Swap Agreements**

(1) Purpose

For a hedge against possible increases in future interest rate.

(2)Details of Interest Rate Swap Agreements

Series		179-A	179-B	
Counterparty		To be determined and announced upon determination		
Notional Amount		1,300 million yen	700 million yen	500 million yen
Interest Rate	Fixed Interest Rate for Payment	To be determined and announced upon determination		
	Floating Interest Rate for Receipt	Base rate (JPY TIBOR for 3 months)		
Commencement Date		November 12, 2020		
Termination Date		April 30, 2027	November 12, 2030	
Payment Date		The first payment is due at the end of January 2021, 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. )		

**4. Outline of Planned Prepayment of Borrowing**

Series	Lender	Balance of Borrowing	Prepayment Amount	Balance after Prepayment	Drawdown Date	Principal Repayment Date	Planned Prepayment Date	Collateral
174-A	Sumitomo Mitsui Banking Corporation	1,000 million yen	1,000 million yen	-	June 30, 2020	June 30, 2021	November 30, 2020	Unsecured, unguaranteed
	MUFG Bank, Ltd.	1,000 million yen	1,000 million yen	-				
	Mizuho Bank, Ltd.	1,000 million yen	1,000 million yen	-				

Note: For outlines of the borrowing, please refer to the press release, "Notice Concerning Debt Financing (Series 174) and Execution of an Interest Rate Swap Agreement" dated June 26, 2020

**5. Fund for Prepayment**

Series174-A to be prepaid is borrowing that was financed for the purpose of allocation to the acquisition funds for Shinbashi M-SQUARE Bright. The prepayment of this borrowing is planned to be funded from a portion of proceeds of the sale for KDX Shin-Nihonbashi Building (Note) implemented on November 2, 2020.

Note: For details on the sale for KDX Shin-Nihonbashi Building , please refer to the press release, "Notice Concerning Acquisition of Property (Shinbashi M-SQUARE Bright) and Sale of Properties (KDX Nihonbashi Honcho Building, KDX Nihonbashi Edo-dori Building and KDX Shin-Nihonbashi Building) " dated June 26, 2020.

**6. Status of Borrowings and Investment Corporation Bonds after the Debt Financing and the Prepayment (as of November 30, 2020)**

(Millions of yen)

Classification	Balance before the Debt Financing and the Prepayment	Balance after the Debt Financing and the Prepayment	Difference
Short-Term Borrowings (Note 1)	12,500	9,500	-3,000
Long-Term Borrowings (Note 2)	178,250	178,250	0
Total Borrowings	190,750	187,750	-3,000
Investment Corporation Bonds	11,000	11,000	0
Total Borrowings and Investment Corporation Bonds	201,750	198,750	-3,000

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.

**7. 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, 2020).

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 November 6 2020. However, no assurance or warranties are given for the completeness or accuracy of this English translation.