

December 23, 2021

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 &amp; CEO

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Notice Concerning Change in Base Interest Rate for Loan Agreement and  
 Interest Rate Swap Agreement Due to Cessation of LIBOR Announcement

Kenedix Retail REIT Corporation (“KRR”) announced today its decision to change the base interest rate for loan agreement (borrowings) and interest rate swap agreement (the “Change”), as set forth below due to the cessation of the publication of the London Interbank Offered Rate (LIBOR) at the end of December 2021.

## 1. Details of the Change

## (1) Loan agreement (borrowings)

Series	Lender	Amount (millions of yen)	Interest rate Upper: Before the Change Lower: After the Change
24-B	Nippon Life Insurance Company	700	Base rate (ICE Benchmark Administration Limited (“IBA”) JPY 6-month LIBOR) + 0.70000%
			Base rate (Overnight risk-free reference rate compounding in arrears (TONA/Observation Shift) (Note 1) + Adjusted Reference Rate (Note 2)) + 0.70000%

## (2) Interest rate swap agreement

Series		24-B
Counterparty		Nomura Securities Co., Ltd.
Notional amount (millions of yen)		700
Interest rates	Fixed interest rate for payment	0.21300%
	Floating interest rate for receipt	Base rate (IBA JPY 6-month LIBOR)
	Upper: Before the Change Lower: After the Change	TONA/Observation Shift + Adjusted Reference Rate (Note 3)
Commencement date		September 28, 2018
Termination date		March 31, 2025

(Note 1) Overnight risk-free reference rate compounding in arrears (TONA/Observation Shift) is derived from an uncollateralized overnight call rate for the Japanese yen (TONA) released by the Bank of Japan or successors of the administration. The rate is a compounded daily TONA during the observation period (while applying single rates of TONA as of proceeding business days to holidays in the period), which is divided by number of days in the period, multiplied by 360 and rounded to the fifth decimal place. The business days above means days that the uncollateralized call money market opens in Tokyo. The observation period above means a period starts from 10 business-day prior to the first date of an applicable interest period and ends on one day before 10 business-day prior to the last date of the interest period.

(Note 2) Adjusted Reference Rate is a spread adjustment, 0.05809% per annum, being applied in order to minimize the value transfer between the relevant parties upon the change of the base interest rates. The figure is the spread adjustment corresponding to each period released by Bloomberg Index Services Limited on March 5, 2021, and is recommended by “Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks”, the secretariat of which is the Bank of Japan.

(Note 3) The interest rate of Series 24-B has been essentially fixed at 0.91300% by the interest rate swap agreement, and the essentially fixed interest rate will not be changed after the Change.

## 2. Other matters

Risks pertaining to the prepayment of the borrowed funds remain unchanged from those listed in the securities report of KRR submitted on December 23, 2021.

KRR’s website address: <https://www.krr-reit.com/en/>

*This notice is the English translation of the Japanese announcement on December 23, 2021. However, no assurance or warranties are given for the completeness or accuracy of this English translation.*