

March 6, 2007

To All Concerned Parties

REIT Issuer:

Kenedix Realty Investment Corporation
2-2-9 Shimbashi, Minato-ku, Tokyo
Taisuke Miyajima, Executive Director
(Securities Code: 8972)

Asset Management Company:

Kenedix REIT Management, Inc.
Taisuke Miyajima, CEO and President

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Notice Concerning the Issue of the Investment Corporation Bonds

Kenedix Realty Investment Corporation (“the Investment Corporation”) today announced the decision to issue investment corporation bonds through public offering based on the “Resolution Regarding Matters Related to Solicitation of Underwriters for Offered Investment Corporation Bonds” accordance with the resolution at the Board of Directors’ meeting held on February 7, 2007. Details are provided as follows.

1. Name of Investment Corporation Bonds

Kenedix Realty Investment Corporation First Series Unsecured Investment Corporation Bonds
(ranking *pari passu* among the Specified Investment Corporation Bonds)

The aforementioned investment corporation bonds shall hereafter be referred to as “First Series Bonds.”

Kenedix Realty Investment Corporation Second Series Unsecured Investment Corporation Bonds
(ranking *pari passu* among the Specified Investment Corporation Bonds)

The aforementioned investment corporation bonds shall hereafter be referred to as “Second Series Bonds,” and together with the First Series Bonds, as the “the Bonds.”

In the following items, matters common to both of the First Series Bonds and Second Series Bonds are not described separately.

2. Total Amount of the Bonds

First Series Bonds:	¥9,000,000,000
Second Series Bonds:	¥3,000,000,000
Total:	¥12,000,000,000

3. Issue Price

¥100 per value of ¥100 for each bond

4. Redemption Price

¥100 per value of ¥100 for each bond

5. Interest Rate

First Series Bonds:	1.74% per annum
Second Series Bonds:	2.37% per annum

6. Denomination of Each Bond

¥100 million

7. Offering Method

Public offering

8. Offering Period

March 6, 2007 (Tuesday)

9. Payment Period

March 15, 2007 (Thursday)

10. Collateral

No secured mortgage or guarantee is applicable to, and no assets are specifically reserved as collateral for, the Bonds.

11. Method of Redemption and Maturity

(1) The total amount of the First Series Bonds and Second Series Bonds shall be redeemed on March 15, 2012 and March 15, 2017, respectively.

(2) The Bonds may be purchased and cancelled at any time on and after the payment date, except for the case the depository otherwise stipulates.

12. Interest Payment Dates

March 15 and September 15, every year

13. Financial Covenants

The negative pledge is applicable to the Bonds.

14. Ratings

A+ (The Japan Credit Rating Agency, Ltd.)

A3 (Moody's Investors Services, Inc.)

15. Depository

Japan Securities Depository Center, Inc.

16. Fiscal Agent, Issuing Agent and Paying Agent

The Chuo Mitsui Trust and Banking Co., Limited

17. Underwriting Securities Companies

First Series Bonds: Mizuho Securities Co., Ltd.

UBS Securities Japan Ltd.

Second Series Bonds: Mizuho Securities Co., Ltd.

18. Use of Funds

Repayment of debt financing



[Other]

Please refer to the press release dated February 7, 2007 for the details of the issuance registration.

This notice is the English translation of the Japanese announcement on our Web site released on March 6, 2007. However, no assurance or warranties are given for the completeness or accuracy of this English translation.