

March 13, 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 Prepayment of Debt Financing**

Kenedix Realty Investment Corporation (“the Investment Corporation”) announced its decision on March 13, 2007, to undertake prepayment of debt financing. Details of the aforementioned are provided as follows.

#### **1. Details of Prepayment Debt Financing**

##### **(1) Short-term Debt (Series 11)**

- (1) Lender : Aozora Bank, Ltd.
- (2) Amount : ¥2,000 million
- (3) Interest Rate : 0.79091% floating rate of interest (Note)
- (4) Drawdown Date : September 20, 2006
- (5) Repayment Date : September 20, 2007
- (6) Collateral : Unsecured, unguaranteed

Note: The interest rate covers the period commencing January 31, 2007 through April 30, 2007.

##### **(2) Short-term Debt (Series 13-A)**

- (1) Lender : Sumitomo Mitsui Banking Corporation
- (2) Amount : ¥1,000 million
- (3) Interest Rate : 0.85636% floating rate of interest (Note)
- (4) Drawdown Date : December 1, 2006
- (5) Repayment Date : November 30, 2007
- (6) Collateral : Unsecured, unguaranteed

Note: The interest rate covers the period commencing February 28, 2007 through March 31, 2007.

##### **(3) Short-term Debt (Series 15-A)**

- (1) Lender : Sumitomo Mitsui Banking Corporation , The Chuo Mitsui Trust and Banking Co., Limited, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation
- (2) Amount : ¥9,000 million
- (3) Interest Rate : 0.92727% floating rate of interest (Note)
- (4) Drawdown Date : March 1, 2007

- (5) Repayment Date : May 31, 2007  
 (6) Collateral : Unsecured, unguaranteed

Note: The interest rate covers the period commencing March 1, 2007 through March 31, 2007.

## 2. Planned Date for Prepayment Date

March 15, 2007

## 3. Funds of Prepayment

Funds for prepayment of debt financing are planned to be provided from the cash on hand concerning the issuance of the Investment Corporation Bonds on March 15, 2007.

### [Attachment]

#### Total Debt Financing Balance and Status of Investment Corporation Bonds after Issuance of Investment Corporation Bonds and Prepayment of Debt Financing

(Billions of yen)

		Prior to Issuance of Investment Corporation Bonds / Prepayment of Debt Financing	After Issuance of Investment Corporation Bonds / Prepayment of Debt Financing	Change
	Short-Term Debt Financing	28.0	16.0	-12.0
	Long-Term Debt Financing	51.0	51.0	+ 0
	Total Debt Financing Balance	79.0	67.0	-12.0
	Investment Corporation Bonds	-	12.0	+ 12.0
	Total of Debt Financing and Investment Corporation Bonds	79.0	79.0	+ 0

Note: Debt financing is classified as either short- or long-term debt. Short-term debt refers to debt financing with a period of less than or equal to one year from the drawdown date to the repayment date.

This notice is the English translation of the Japanese announcement on our Web site released on March 13, 2007. However, no assurance or warranties are given for the completeness or accuracy of this English translation.