

April 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 Debt Financing

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

1. Rationale

The Investment Corporation has decided to execute debt financing agreement to support the acquisition of trust beneficiary interest in real estate (KDX Toranomom Building), and payment of associated costs.

Note: For details regarding the acquisition of trust beneficiary interest in real estate (KDX Toranomom Building), please refer to the press release, “Notice Concerning the Acquisition of Property (KDX Toranomom Building),” dated April 13, 2007.

2. Details of Debt Financing

Long-term Debt (Series 17)

- | | | |
|---------------------------|---|---|
| (1) Lender | : | The Norinchukin Bank |
| (2) Amount | : | ¥3,000 million |
| (3) Interest Rate | : | 1.04290% floating rate of interest (Note) |
| (4) Drawdown Date | : | April 17, 2007 |
| (5) Debt Financing Method | : | The Investment Corporation executed the individual debt financing agreement with the aforementioned lender on April 13, 2007. |
| (6) Interest Payment Date | : | First interest payment on May 31, 2007, and at the end of February, May, August, and November every year thereafter, and the last interest payment on April 16, 2011. |
| (7) Repayment Date | : | April 16, 2011 |
| (8) Repayment Method | : | Principal repayment in full on maturity |
| (9) Collateral | : | Unsecured, unguaranteed |

Note: The interest rate covers the period commencing April 17, 2007 through May 31, 2007. Thereafter, the interest rate shall be calculated based on the three-month yen TIBOR +0.42%. The interest rate after May 31, 2007, shall be disclosed as and when determined.

3. Use of Funds

Debt financing shall be used to support the acquisition of trust beneficiary interest in real estate (KDX Toranomom Building), and payment of associated costs.

【Reference Material】

Total Debt Financing Balance after Additional Debt Financing
and Status of Investment Corporation Bonds

(Billions of yen)

		Balance Prior to Additional Debt Financing	Balance After Additional Debt Financing	Change
	Short-Term Debt Financing (Note1)	20.5	20.5	+0.0
	Long-Term Debt Financing (Note2)	55.0	58.0	+3.0
	Total Debt Financing Balance	75.5	78.5	+3.0
	Investment Corporation Bonds	12.0	12.0	+0.0
	Total of Debt Financing and Investment Corporation Bonds	87.5	90.5	+ 3.0

Notes:

1. 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.
2. Long-term debt refers to debt financing with a period of more than 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 April 13, 2007. However, no assurance or warranties are given for the completeness or accuracy of this English translation.