



Translation Purpose Only

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To All Concerned Parties

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**Notice Concerning Changes in the Company Regulations (Management Guidelines)  
 of the Asset Management Company**

Kenedix Realty Investment Corporation (“the Investment Corporation”) announced today that the Board of Directors of Kenedix REIT Management, Inc. (“the Asset Management Company”), the asset management company for the Investment Corporation, has resolved to change management guidelines contained in its company regulations. Details are as follows.

**1. Overview**

The Investment Corporation has revised sections of the “Maintenance, Repairs and Capital Expenditure Policy” of the Asset Management Company’s management guidelines. In addition, the Investment Corporation has made other minor changes to wording and the order of the provisions.

**2. The Major Changes in the Management Guidelines**

Before the Change in Management Guidelines	After the Change in Management Guidelines
<p>Article 26 (Maintenance, Repairs and Capital Expenditure Policy)</p> <p>2. In principle, maintenance, repairs and capital expenditure should be implemented within the depreciation for <u>each property</u>. However, <u>for high-cost expenditures deemed necessary for business plans or emergency situations</u>, the maintenance, repairs and capital expenditure that <u>exceed</u> depreciation costs may be conducted <u>to the extent necessary</u>.</p>	<p>Article 27 (Maintenance, Repairs and Capital Expenditure Policy)</p> <p>2. In principle, <u>the total cost</u> for maintenance, repairs and capital expenditure should be implemented within depreciation of <u>the total portfolio</u>. However, <u>for high-cost expenditures deemed necessary to maintain and improve the competitiveness of the portfolio or for emergency situations</u>, the maintenance, repairs and capital expenditure that <u>exceed total portfolio depreciation costs</u> may be conducted <u>to the extent necessary within a range that does not affect financial policy</u>.</p>

Note: In addition to the change above, the Investment Corporation has made other changes to wording and the order of the provisions.



### **3. Details of the Changes**

The Investment Corporation has changed management guidelines in order to conduct maintenance, repair and capital expenditure deemed necessary to maintain and improve the competitiveness of its portfolio as a whole. Consequently, the Investment Corporation will have greater flexibility to effectively conduct additional maintenance, repairs and capital expenditure.

This notice is the English translation of the Japanese announcement on our Web site released on June 11, 2007. However, no assurance or warranties are given for the completeness or accuracy of this English translation.