

January 8, 2008

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 January 8, 2008, to undertake debt financing. Details of the aforementioned are provided as follows.

1. Rationale

The Investment Corporation has decided to execute debt financing agreements to support the acquisition of real estate (KDX Roppongi 228 Building) and payment of associated costs.

Note: For details regarding the acquisition of real estate (KDX Roppongi 228 Building), please refer to the press release, “Notice Concerning the Acquisition of Property (KDX Roppongi 228 Building),” dated January 8, 2008.

2. Details of Debt Financing

① Short-term Debt (Series 21-A)

- | | | |
|---------------------------|---|--|
| (1) Lender | : | The Chuo Mitsui Trust and Banking Co., Limited |
| (2) Amount | : | ¥1,000 million |
| (3) Interest Rate | : | 0.94493% floating rate of interest (Note) |
| (4) Drawdown Date | : | January 10, 2008 |
| (5) Debt Financing Method | : | The Investment Corporation executed individual debt financing agreement with the aforementioned lender on January 8, 2008. |
| (6) Interest Payment Date | : | First interest payment on January 31, 2008, and at the end of April, July, October 2008 and January 10, 2009. |
| (7) Repayment Date | : | January 10, 2009 |
| (8) Repayment Method | : | Principal repayment in full on maturity |
| (9) Collateral | : | Unsecured, unguaranteed |

Note: The interest rate covers the period commencing January 10, 2008 through January 31, 2008. Thereafter, the interest rate shall be calculated based on the three-month yen TIBOR +0.30%. The interest rate after January 31, 2008, shall be disclosed as and when determined.

② Long-term Debt (Series 21-B)

- (1) Lender : Sumitomo Mitsui Banking Corporation
 (2) Amount : ¥2,500 million
 (3) Interest Rate : 1.50250% fixed rate of interest
 (4) Drawdown Date : January 10, 2008
 (5) Debt Financing Method : The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on January 8, 2008.
 (6) Interest Payment Date : First interest payment on January 31, 2008, and at the end of April, July, October and January each year thereafter, and the last interest payment on January 10, 2012.
 (7) Repayment Date : January 10, 2012
 (8) Repayment Method : Principal repayment in full on maturity
 (9) Collateral : Unsecured, unguaranteed

3. Use of Funds

Debt financing shall be used to support the acquisition of real estate (KDX Roppongi 228 Building) and payment of associated costs.

[Attachment]

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

(Billions of yen)

	Balance Prior to Additional Debt Financing	Balance After Additional Debt Financing	Change
Short-Term Borrowings (Note1)	6.5	7.5	+1.0
Long-Term Borrowings (Note2)	57.0	59.5	+2.5
Total Borrowings Balance	63.5	67.0	+3.5
Investment Corporation Bonds	12.0	12.0	+0.0
Total of Debt Financing	75.5	79.0	+3.5

Notes:

1. Short-term borrowings refer 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 borrowings refer 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 January 8, 2008. However, no assurance or warranties are given for the completeness or accuracy of this English translation.