

March 27, 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

Inquiries:
Masahiko Tajima
Director / General Manager, Financial Planning Division
TEL.: +81-3-3519-3491

Notice Concerning Debt Financing

Kenedix Realty Investment Corporation (“the Investment Corporation”) today announced its decision 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 real estate (KDX Jimbocho Building and KDX Gobancho Building), and payment of associated costs. (Note)

Note: For details, please refer to the press release “Notice Concerning the Acquisition of Properties (KDX Jimbocho Building and KDX Gobancho Building),” dated March 27, 2008 regarding the acquisition of real estate (KDX Jimbocho Building and KDX Gobancho Building),

2. Details of Debt Financing

Long-term Debt (Series 23)

- | | | |
|---------------------------|---|--|
| (1) Lender | : | Sumitomo Mitsui Banking Corporation
The Chuo Mitsui Trust and Banking Co., Limited |
| (2) Amount | : | ¥3,000 million and ¥2,000 million |
| (3) Interest Rate | : | 1.60938% and 1.55938% fixed rate of interest |
| (4) Drawdown Date | : | March 31, 2008 |
| (5) Debt Financing Method | : | The Investment Corporation executed an individual debt financing agreement with the aforementioned lenders on March 27 2008. |
| (6) Interest Payment Date | : | First interest payment on June 30, 2008, and at the end of September, December, and March each year thereafter, and the last interest payment on September 30, 2011. |
| (7) Repayment Date | : | September 30, 2011 |
| (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 Jimbocho Building and KDX Gobancho Building), and payment of associated costs.

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)	5.75	5.75	+0.0
Long-Term Borrowings (Note2)	63.0	68.0	+5.0
Total Borrowings Balance	68.75	73.75	+5.0
Investment Corporation Bonds	12.0	12.0	+0.0
Total of Debt Financing	80.75	85.75	+5.0

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 March 27, 2008. However, no assurance or warranties are given for the completeness or accuracy of this English translation.