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To All Concerned Parties

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Notice Concerning Revisions to PML in the Earthquake Risk Analysis

Kenedix Realty Investment Corporation (“the Investment Corporation”) today announced the revised PML (Probable Maximum Loss) (Note) for properties currently in its portfolio. The Investment Corporation had commissioned Sompo Japan Risk Management, Inc. (“the Evaluation Company”) to undertake PML surveys. As recent advancements have been made in the method to evaluate the risk of earthquakes, the Evaluation Company sent a report to the Investment Corporation to confirm the revised PML. Details of the aforementioned are provided as follows.

Note: “PML (Probable Maximum Loss)” refers to the probable ratio of maximum loss sustained as the result of an earthquake. PML is calculated for both specific properties and entire portfolios.

1. Revised PML

Property No.	Property Name	PML (%)	
		Before Revision	After Revision
A01	KDX Nihonbashi 313 Building	17.36	9.50
A02	KDX Hirakawacho Building	8.02	7.25
A03	Higashi-Kayabacho Yuraku Building	7.88	7.01
A04	KDX Hatchobori Building	5.21	6.42
A05	KDX Nakano-Sakaue Building	5.05	5.20
A06	Harajuku F.F. Building	13.02	5.66
A07	FIK Minami Aoyama	6.37	4.92
A08	Kanda Kihara Building	14.28	7.77
A09	KDX Shinjuku-Gyoen Building	8.16	6.05
A10	KDX Koishikawa Building	11.47	9.32
A11	Hakata-Ekimae Dai-2 Building	0.69	1.06
A12	Portus Center Building	3.49	3.48
A13	KDX Koujimachi Building	4.94	3.60
A14	KDX Funabashi Building	4.11	2.76
A15	KDX Hamacho Building	12.10	6.76
A16	Toshin 24 Building	17.19	8.75

A17	Ebisu East 438 Building	7.68	4.16
A18	KDX Omori Building	4.21	0.71
A19	KDX Hamamatsucho Building	9.89	6.13
A20	KDX Kayabacho Building	7.18	7.90
A21	KDX Shinbashi Building	10.55	6.84
A22	KDX Shin-Yokohama Building	13.82	10.36
A23	KDX Yotsuya Building	5.56	9.79
A24	KDX Minami Semba Dai-1 Building	7.23	9.04
A25	KDX Minami Semba Dai-2 Building	7.94	10.59
A26	KDX Kiba Building	9.16	7.79
A27	KDX Kajicho Building	8.81	6.05
A28	KDX Nogizaka Building	7.08	9.48
A29	KDX Higashi-Shinjuku Building	5.40	3.63
A30	KDX Nishi-Gotanda Building	8.23	8.28
A31	KDX Monzen-Nakacho Building	6.39	5.72
A32	KDX Shiba-Daimon Building	13.72	7.60
A33	KDX Okachimachi Building	3.72	2.23
A34	KDX Hon-Atsugi Building	12.45	11.12
A35	KDX Hachioji Building	13.96	13.00
A36	KDX Niigata Building	1.74	4.39
A37	KDX Ochanomizu Building	5.35	2.97
A38	KDX Nishi-Shinjuku Building	7.03	9.02
A39	KDX Toranomon Building	14.77	8.07
A40	Toranomon Toyo Building	14.65	13.06
A41	KDX Shinjuku 286 Building	8.75	8.71
A42	KDX Kyoto Karasuma Building	13.81	8.37
A43	KDX Hakata Building	0.34	1.84
A44	KDX Sendai Building	3.49	1.93
B01	Storia Sirokane	7.77	4.74
B02	Tre di Casa Minami Aoyama	7.44	8.49
B03	Court Mejiro	5.74	7.11
B04	Apartments Motoazabu	6.24	8.84
B05	Apartments Wakamatsu-Kawada	7.56	7.61
B06	Court Nihonbashi Hakozaeki	13.44	7.34
B07	Side Denenchofu	10.39	8.86
B08	S-court Yokohama Kannai II	19.45	13.60
B09	Court Motoasakusa	9.90	6.01
B11	Bloom Omotesando	6.55	8.47
B13	Human Heim Okachimachi	12.19	6.01
B16	Abreast Hara	13.34	13.57
B17	Abreast Hirabari	13.56	14.12
B18	Venus Hibarigaoka	6.48	5.19
B19	Residence Charmante Tsukishima	17.11	9.88
B20	Regalo Ochanomizu I&II	9.32	8.30
B21	Regalo Shiba-Kouen	12.39	6.97
B22	Chigasaki Socie Ni-bankan	18.75	14.52
B23	Court Nishi-Shinjuku	6.44	5.74
B24	Regalo Komazawa-Kouen	9.29	5.43
B25	Court Shin-Okachimachi	4.70	4.09
B26	Primo Regalo Kagurazaka	7.86	4.83

B27	Primo Regalo Youga	9.98	8.41
B28	Court Shimouma	8.43	9.70
B29	Ashiya Royal Homes	11.05	11.56
B30	Regalo Ibaraki I& II	17.20	8.26
B31	Collection Higashi-Sakura	12.20	10.73
B32	Renaissance 21 Hirao Jousui-machi	0.42	2.69
B33	Montore Nishikouen Bay Court	0.23	4.41
B34	Gradito Kawaguchi	13.33	6.46
C01	Frame Jinnan-zaka	6.20	8.02
C02	KDX Yoyogi Building	9.59	8.17
C03	ZARA Tenjin Nishi-dori	0.70	2.12
Portfolio PML Percentage		6.86	5.26

2. Background of PML Revisions

The Investment Corporation received an explanation of the revisions to the earthquake-risk evaluation method, as follows.

Before the revisions, the Evaluation Company calculated PML based on an evaluation system which was developed in 2000. Since then, the Ministry of Education, Culture, Sports, Science and Technology as well as various academic communities have advanced their research in relevant fields, accumulating knowledge and technologies concerning earthquakes, earthquake risks and geotechnique.

With the aim of improving the accuracy of its evaluations of earthquake risk, the Evaluation Company revised its evaluation method, incorporating the aforementioned knowledge and technologies into its expertise.

For more details regarding the revised evaluation method, please refer to the announcement “PML Evaluation Method,” released by the Evaluation Company. (Provided in Japanese only.) (Website: <http://www.sjrm.co.jp/>)

This notice is the English translation of the Japanese announcement on our Web site released on September 18, 2007. However, no assurance or warranties are given for the completeness or accuracy of this English translation.