

June 15, 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 Prepayment of Debt Financing**

Kenedix Realty Investment Corporation (“the Investment Corporation”) announced its decision on June 15, 2007, to undertake a portion of prepayment of debt financing. Details are provided as follows.

#### **1. Details of Prepayment Debt Financing**

##### **Long-Term Debt (Series 17)**

- |                       |   |   |
|-----------------------|---|---|
| (1) Lender            | : | The Norinchukin Bank                      |
| (2) Borrowed Amount   | : | ¥3,000 million                            |
| (3) Prepayment Amount | : | ¥1,500 million                            |
| (3) Interest Rate     | : | 1.08250% floating rate of interest (Note) |
| (4) Drawdown Date     | : | April 17, 2007                            |
| (5) Repayment Date    | : | April 16, 2011                            |
| (6) Collateral        | : | Unsecured, unguaranteed                   |

Note: The interest rate covers the period commencing May 31, 2007 through August 31, 2007.

#### **2. Planned Date for Prepayment Date**

June 22, 2007

#### **3. Funds for Prepayment**

Funds for prepayment of debt financing are provided from the cash on hand from the issue of additional new investment units by way of third-party allotment. Payments for the purchase of new investment units are scheduled to close on June 19, 2007.

【Reference Material】

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

(Billions of yen)

	Balance Prior to Prepayment of Debt Financing (As of June 13, 2007)	Balance After Prepayment of Debt Financing (As of June 22, 2007)	Change
Short-Term Debt Financing (Note1)	7.0	7.0	+0.0
Long-Term Debt Financing (Note2)	58.0	56.5	-1.5
Total Debt Financing Balance	65.0	63.5	-1.5
Investment Corporation Bonds	12.0	12.0	+ 0.0
Total of Debt Financing and Investment Corporation Bonds	77.0	75.5	-1.5

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 June 15, 2007. However, no assurance or warranties are given for the completeness or accuracy of this English translation.