

July 27, 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 Debt Financing

Kenedix Realty Investment Corporation (“the Investment Corporation”) announced its decision on July 27, 2007, to undertake debt financing. Details of the aforementioned are provided as follows.

#### 1. Rationale

The Investment Corporation has decided to execute a debt financing agreement to apply the funds toward the repayment of Series 9 (total of ¥3,000 million). (Note)

Note: For details regarding Series 9, please refer to the press releases “Notice Concerning Debt Financing,” dated July 27, 2006 and “Notice Concerning Prepayment of Debt Financing,” dated May 23, 2007.

#### 2. Details of Debt Financing

##### Short-Term Debt (Series 18)

- (1) Lender : Aozora Bank, Ltd. and The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- (2) Amount : ¥2,000 million and ¥1,000 million
- (3) Interest Rate : 1.04500% and 1.01500% floating rate of interest (Note)
- (4) Drawdown Date : July 31, 2007
- (5) Debt Financing Method : The Investment Corporation executed individual debt financing agreements with the aforementioned lenders on July 27, 2007.
- (6) Interest Payment Date : First interest payment on October 31, 2007, and at the end of January, April, and July 2008 thereafter.
- (7) Repayment Date : July 31, 2008
- (8) Repayment Method : Principal repayment in full on maturity
- (9) Collateral : Unsecured, unguaranteed

Note: The interest rate covers the period commencing July 31, 2007 through October 31, 2007. Thereafter, the interest rate shall be calculated based on the three-month yen TIBOR +0.28% and three-month yen TIBOR +0.25%, respectively. The interest rate after October 31, 2007, shall be disclosed as and when determined.

#### 3. Use of Funds

Debt financing shall be used for repayment of Series 9.

**[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)	7.0	7.0	+0.0
Long-Term Borrowings (Note2)	56.5	56.5	+0.0
Total Borrowings Balance	63.5	63.5	+0.0
Investment Corporation Bonds	12.0	12.0	+0.0
Total of Debt Financing	75.5	75.5	+0.0

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.

<p>This notice is the English translation of the Japanese announcement on our Web site released on July 27, 2007. However, no assurance or warranties are given for the completeness or accuracy of this English translation.</p>
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