

Translation Purpose Only

June 25, 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 the Sale of Property (Conclusion of Agreement)**  
**(Hakata Ekimae Dai-2 Building)**

Kenedix Realty Investment Corporation (“the Investment Corporation”) announced its decision on June 25, 2008 to conclude an agreement to sell Hakata Ekimae Dai-2 Building. Details are provided as follows.

**1. Outline**

- |      |   |   |
|------|---|---|
| (1)  | Type of Asset for Sale                        | : Trust beneficiary interests in real estate  |
| (2)  | Property Name                                 | : Hakata Ekimae Dai-2 Building  |
| (3)  | Sales Price                                   | : ¥1,470,000,000<br>(Excluding sales costs, adjusted amounts for property and city-planning tax, consumption tax, regional consumption tax and other imposts) |
| (4)  | Book Value                                    | : ¥1,445,608,686<br>(Book values as of April 30, 2008)  |
| (5)  | Difference between Sales Price and Book Value | : ¥24,391,314   |
| (6)  | Purchase and Sale Agreement Execution Date    | : June 25, 2008   |
| (7)  | Settlement Date                               | : July 30, 2008 or the date to be agreed upon by the buyer and the Investment Corporation   |
| (8)  | Buyer   | : Please refer to 4. “Buyer’s Profile” for details  |
| (9)  | Settlement Method                             | : The aforementioned trust beneficiary interest will be transferred to the buyer.   |
| (10) | Method of Buyer Selection                     | : The Investment Corporation has selected the buyer from among multiple candidates introduced through several prominent domestic real estate brokers          |

The aforementioned asset for sale shall hereafter be referred to as “the Property.”

## 2. Reasons for Sale

The decision to sell the Property, an office building in Other Regional Areas, is carried out in accordance with the Investment Corporation's investment stance and its fundamental investment policies as outlined in its Articles of Incorporation, and comprehensively takes into consideration its portfolio development policy to invest mainly in mid-sized office buildings in the Tokyo Metropolitan Area. The Property is one of three properties that the Investment Corporation owns in the Chikushi Exit (south exit) area of Hakata Station in Fukuoka Prefecture, and has determined to sell the Property based on a comprehensive assessment of such factors as the property's scale, competitiveness and market trends.

## 3. Details of Property for Planned Sale

Property Name		Hakata Ekimae Dai-2 Building
Type of Specified Asset		Trust beneficiary interest in real estate
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust Term		September 10, 2004 to August 1, 2015
Location (Address)		2-6-23 Hakataeki Higashi, Hakata-ku, Fukuoka-shi, Fukuoka
Usage		Offices
Type of Structure		Flat-roofed steel-reinforced concrete structure; nine above-ground floors
Site Area	Land	866.00 m <sup>2</sup>
	Building	4,846.01 m <sup>2</sup>
Type of Ownership	Land	Proprietary ownership
	Building	Proprietary ownership
Completion Date		September 11, 1984
Acquisition Date		August 1, 2005
Acquisition Price		¥1,430,000,000
Survey Value (Registered Appraiser)		¥1,720,000,000 Base date of appraisal: April 30, 2008 Appraiser: Japan Real Estate Institute
Number of End Tenants		40 (As of May 31, 2008. The same applies below.)
Total Leasable Floor Area		3,685.87 m <sup>2</sup>
Total Leased Floor Area		3,671.67 m <sup>2</sup>
Occupancy Ratio (Total Leased Floor Area Basis)		99.6%

## 4. Buyer's Profile

The buyer of the Property is a domestic limited liability company, and the details concerning the buyer will not be disclosed due to a duty of confidentiality as stipulated in the trust beneficiary interest purchase and sale agreement. In addition, the buyer of the Property is not a special related party of Kenedix REIT Management, Inc.

## 5. Sale Schedule

June 25, 2008	Decision to sell the Property, execution of trust beneficiary interest purchase and sale agreements
July 30, 2008 or the date to be agreed upon by the buyer and the Investment Corporation	Settlement, sale of trust beneficiary interests

## 6. Asset Management Fees

The Investment Corporation shall pay a sale commission to Kenedix REIT Management, Inc. in connection with the sale of subject trust beneficiary interest in real estate in accordance with the Asset Management Agreement. Sale commission: An amount equivalent to 0.5% of the sales price identified in 1 (3) preceding.

Date of payment: Within one month after the settlement date.

**7. Details of Brokerage**

The details of the brokerage firm and the brokerage fee are as follows.

Name of brokerage firm	The name of the broker has not been disclosed due to a duty of confidentiality as stipulated in the brokerage agreement.
Brokerage fee	¥7,350,000 (excluding taxes)
Relationship with the Investment Corporation or the Asset Management Company	None

**8. Interested-Party Transactions**

The subject sale of trust beneficiary interest in real estate does not constitute an interested-party transaction.

The Investment Corporation shall pay a fee to the Asset Management Company pursuant to the Property Management Agreement executed between the parties in connection with the sale of the subject trust beneficiary interest in real estate and the subsequent transfer in management control. The fee is ¥2.0 million

This fee relates to the transfer of management control and serves as a notice to the lessee regarding the transfer of leasing and management responsibilities and also relates to the handover of property management duties. Fee shall be paid promptly after settlement date.

**8. Outlook**

There are no revisions to the forecast for the fiscal period ending October 31, 2008, respectively, as a result of the sale of the Property.

This notice is the English translation of the Japanese announcement on our Web site released on June 25, 2008. However, no assurance or warranties are given for the completeness or accuracy of this English translation.