

June 26, 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 trust beneficiary interest in real estate (KDX Harumi Building), and payment of associated costs. (Note)

Note: For details, please refer to the press release “Notice Concerning Acquisition of Property (Conclusion of Agreement) (KDX Harumi Building),” dated May 15, 2008 regarding the acquisition of trust beneficiary interest in real estate (KDX Harumi Building).

2. Details of Debt Financing

① Short-term Debt (Series 26-L)

- | | | |
|---------------------------|---|--|
| (1) Lender | : | The Bank of Tokyo-Mitsubishi UFJ, Ltd. |
| (2) Amount | : | ¥2,000 million |
| (3) Interest Rate | : | 1.24417% floating rate of interest |
| (4) Drawdown Date | : | June 30, 2008 |
| (5) Debt Financing Method | : | Debt financing is based on the commitment line agreement dated March 21, 2008 with the aforementioned lender. (Note) |
| (6) Interest Payment Date | : | September 30, 2008 |
| (7) Repayment Date | : | September 30, 2008 |
| (8) Repayment Method | : | Principal repayment in full on maturity |
| (9) Collateral | : | Unsecured, unguaranteed |

Note: For details, please refer to the press release “Notice Concerning Commitment Line Agreement” dated March 21, 2008.

② Long-term Debt (Series 26-A)

- (1) Lender : Aozora Bank, Ltd.
- (2) Amount : ¥1,000 million
- (3) Interest Rate : 1.98654% fixed rate of interest
- (4) Drawdown Date : June 30, 2008
- (5) Debt Financing Method : The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on June 26, 2008.
- (6) Interest Payment Date : First interest payment on September 30, 2008, and at the end of December, March and June each year thereafter, and the last interest payment on February 28, 2011.
- (7) Repayment Date : February 28, 2011
- (8) Repayment Method : Principal repayment in full on maturity
- (9) Collateral : Unsecured, unguaranteed

③ Long-term Debt (Series 26-B)

- (1) Lender : Resona Bank, Ltd.
- (2) Amount : ¥1,500 million
- (3) Interest Rate : 2.15000% fixed rate of interest
- (4) Drawdown Date : June 30, 2008
- (5) Debt Financing Method : The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on June 26, 2008.
- (6) Interest Payment Date : First interest payment on September 30, 2008, and at the end of December, March and June each year thereafter.
- (7) Repayment Date : June 30, 2012
- (8) Repayment Method : Principal repayment in full on maturity
- (9) Collateral : Unsecured, unguaranteed

④ Long-term Debt (Series 26-C)

- (1) Lender : Development Bank of Japan
- (2) Amount : ¥3,000 million
- (3) Interest Rate : 2.26279% fixed rate of interest
- (4) Drawdown Date : June 30, 2008
- (5) Debt Financing Method : The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on June 26, 2008.
- (6) Interest Payment Date : First interest payment on December 30, 2008, and at the end of June and December each year thereafter.
- (7) Repayment Date : December 28, 2012
- (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 trust beneficiary interest in real estate (KDX Harumi Building), and payment of associated costs.

4. 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)	6.75	8.75	+2.0
Long-Term Borrowings (Note2)	73.0	78.5	+5.5
Total Borrowings Balance	79.75	87.25	+7.5
Investment Corporation Bonds	12.0	12.0	+0.0
Total of Debt Financing	91.75	99.25	+7.5

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.

【Attachment】

Status of Debt Financing Balance based on Commitment Line Agreements

(Billions of yen)

	Balance as of June 30, 2008
Total Borrowings Available under Commitment Line Agreements	5.0
Total Borrowings Balance based on Commitment Line Agreements	3.5

This notice is the English translation of the Japanese announcement on our Web site released on June 26, 2008. However, no assurance or warranties are given for the completeness or accuracy of this English translation.