

September 18, 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 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 apply the funds toward the repayment of short-term borrowings (Series 19 (total of ¥1,250 million)). (Note)

Note: For details, please refer to the press release “Notice Concerning Debt Financing,” dated September 18, 2007 for Series 19.

2. Details of Debt Financing

Long-term Debt (Series 30)

- | | | |
|---------------------------|---|--|
| (1) Lender | : | The Chuo Mitsui Trust and Banking Co., Limited |
| (2) Amount | : | ¥1,250 million |
| (3) Interest Rate | : | 1.71335% fixed rate of interest |
| (4) Drawdown Date | : | September 22, 2008 |
| (5) Debt Financing Method | : | The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on September 18, 2008. |
| (6) Interest Payment Date | : | First interest payment on October 31, 2008, and at the end of January, April and July each year thereafter, and the last interest payment on March 22, 2011. |
| (7) Repayment Date | : | March 22, 2011 |
| (8) Repayment Method | : | Principal repayment in full on maturity |
| (9) Collateral | : | Unsecured, unguaranteed |

3. Use of Funds

Debt financing shall be used for repayment of Series 19.

4. Total Debt Financing Balance after Additional Borrowing 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 | 5.5 | -1.25 |
| Long-Term Borrowings (Note2) | 81.5 | 82.75 | +1.25 |
| Total Borrowings Balance | 88.25 | 88.25 | +0.0 |
| Investment Corporation Bonds | 12.0 | 12.0 | +0.0 |
| Total of Debt Financing | 100.25 | 100.25 | +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.

【Attachment】

Status of Debt Financing Balance based on Commitment Line Agreements

(Billions of yen)

| Balance as of September 22, 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 September 18, 2008. However, no assurance or warranties are given for the completeness or accuracy of this English translation.