

November 27, 2008

To unitholders and registered unit pledgees

Kenedix Realty Investment Corporation
2-2-9 Shimbashi, Minato-ku, Tokyo
Taisuke Miyajima, Executive Director

**Notice Concerning the Handling of Investment Units under
a New Electronic Central Clearing System**

A new electronic central clearing system, also known as an electronic share certificate system, shall be introduced on Monday, January 5, 2009, in line with the implementation of the Law Amending Laws Concerning the Transfer of Corporate Bonds, etc., for the Purpose of Rationalization of Settlement Involving Transaction of Shares, etc. (Law No. 88 of 2004). Pursuant to a motion approved by its Board of Directors on August 21, 2008, Kenedix Realty Investment Corporation (hereafter, “the Investment Corporation”) announced its agreement that Japan Securities Depository Center, Inc. (hereafter, “JASDEC”) will handle the electronic book-entry transfer of the units issued by the Investment Corporation from January 5, 2009.

In accordance with the provisions of Article 228-1 applying correspondingly Article 131-1 of the Law Concerning Book-Entry Transfer of Corporate Bonds, etc. (Law No. 75 of 2001, hereafter, “the Transfer Law”), the Investment Corporation shall hereby issue notifications as described hereunder.

1. Physical unit certificates currently in use, except for those undergoing a public peremptory notice procedure, shall be annulled after January 5, 2009. Accordingly, pursuant to the provisions of Article 228-1 applying correspondingly Article 130-1 of the Transfer Law, and on behalf of unitholders and registered unit pledgees listed in the register of unitholders as of January 5, 2009, the Investment Corporation shall notify JASDEC of the Investment Corporation’s corporate name, the names of applicable unitholders and registered unit pledgees, information related to the accounts of unitholders and registered unit pledgees to which the Investment Corporation’s units shall be transferred, as well as other information specified by JASDEC.
2. The Investment Corporation must acquire the required account information from applicable unitholders and registered unit pledgees before January 5, 2009 so that JASDEC can be notified as described in 1. above. Therefore, please abide by the following and provide the Investment Corporation with the required information.
 - (1) Unitholders and registered unit pledgees who have physical unit certificates but are not using the current central clearing system:

Please notify the Investment Corporation of accounts to which units can be transferred or deposit the investment unit certificates with JASDEC through a securities company and start using the central clearing system before January 5, 2009. The official deadline for physically depositing investment unit certificates to JASDEC is Friday, December 19, 2008. As some securities companies may have set earlier voluntary deadlines in order to alleviate congestion at their service counters, the Investment Corporation recommends that applicable unitholders and registered unit pledgees confirm said dates with the securities companies they use.
 - (2) Unitholders and registered unit pledgees who will have deposited their physical unit certificates at JASDEC through securities companies and other qualified institutions before January 5, 2009:

The securities companies of unitholders and registered unit pledgees will notify JASDEC of their account information. Therefore, unitholders and registered unit pledgees shall not be required to notify JASDEC of this information.
3. For unitholders and registered unit pledgees who failed to notify JASDEC of the required account information before January 5, 2009 as described in 2. above, special accounts will be opened at the following account management institution, and their unit certificates will be handled through these special accounts.

Account management institution: The Chuo Mitsui Trust and Banking Co., Limited
Address: 3-33-1 Shiba, Minato-ku, Tokyo

The listing and recording of the Investment Corporation's units on special accounts are scheduled to take place on Monday, January 26, 2009. Before selling or conducting other types of transactions involving units listed or recorded on special accounts, applicable unitholders and registered unit pledgees must open ordinary accounts with securities companies or other qualified institutions and transfer their units to said accounts. Transactions involving these units will be subject to certain limitations.

* *This notice has been sent to unitholders of record as of April 30, 2008. If you have sold the Investment Corporation's units and completed the ownership transfer procedures of said units to other parties prior to the receipt of this notice, please disregard this notice.*

For Inquiries Regarding this Notice:
Stock Transfer Agency Department
The Chuo Mitsui Trust and Banking Co., Limited
Tel: 0120-78-2031 (Japanese only)
Hours: 9:00 – 17:00 (JST)