

Translation Purpose Only

December 11, 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 Change in Shareholders for the Asset Management Company

Kenedix Realty Investment Corporation (“the Investment Corporation”) has announced that the Board of Directors meeting of its asset management company, Kenedix REIT Management, Inc. (“the Asset Management Company”), has resolved to approve partial transfer (“the Stock Transfer”) of the Asset Management Company’s stocks at the meeting held today. Details are as follows.

1. Outline of the Stock Transfer

Kenedix, Inc. will transfer 645 units (10%) of the 6,450 units (100%) of the Asset Management Company’s stocks to ITOCHU Corporation.

2. Change in Shareholder Composition

Before the Stock Transfer (As of December 11, 2008)

Principal Shareholder	Location	Number of Stocks Owned (units)	Ratio (%)
Kenedix, Inc.	2-2-9 Shimbashi, Minato-ku, Tokyo	6,450	100.0
Total		6,450	100.0

After the Stock Transfer

Principal Shareholder	Location	Number of Stocks Owned (units)	Ratio (%)
Kenedix, Inc.	2-2-9 Shimbashi, Minato-ku, Tokyo	5,805	90.0
ITOCHU Corporation	2-5-1 Kita-Aoyama, Minato-ku, Tokyo	645	10.0
Total		6,450	100.0

3. Reasons of the Stock Transfer

To enhance the stability and strength of the Investment Corporation's future strategy for growth, the Asset Management Company and Kenedix, Inc. have come to consider a shift from a sole-shareholder type structure based on Kenedix, Inc. to a structure of multiple shareholders that would also include partners with a capacity to supply properties. As a result, ITOCHU Corporation was newly added as a shareholder of the Asset Management Company. This participation by a new shareholder is expected to contribute to the development of the Investment Corporation through the Asset Management Company's enhanced structure.

The corporate profile of the ITOCHU Corporation are as follows.

Company Name	ITOCHU Corporation (Listed in the first section of the Tokyo Stock Exchange)
Capital	¥202,241 million
Incorporated	December 1949
Representative	Eizo Kobayashi, President and Chief Executive Officer
Business Activities	General trading firm

*As of December 11, 2008

4. Schedule for the Stock Transfer

December 11, 2008: Stock Transfer approval by the Asset Management Company's Board of Directors

Conclusion of Stock Purchase and Sale Agreement (Note 1)

Conclusion of Stock Investment Agreement (Note 2)

December 19, 2008 (planned): Execution of the Stock Transfer

Note 1: To be concluded between Kenedix and ITOCHU Corporation

Note 2: To be concluded between the Asset Management Company and ITOCHU Corporation, and the Asset Management Company and Kenedix, Inc., respectively

5. Other

- (1) There are no changes to directors of the Asset Management Company as a result of the Stock Transfer.
- (2) In light of the Stock Transfer, the Asset Management Company plans to hold regular meetings with ITOCHU Corporation to exchange information with regard to real estate properties that meet the investment standards of the Investment Corporation.
- (3) The Memorandum of Understanding dated April 9, 2007, concluded between the Asset Management Company, the Investment Corporation, Kenedix, Inc. and Kenedix Advisors Co., Ltd., will remain in effect even after execution of the Stock Transfer.

This notice is the English translation of the Japanese announcement on our Web site released on December 11, 2008. However, no assurance or warranties are given for the completeness or accuracy of this English translation.