

Translation Purpose Only

June 11, 2009

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 Conclusion of Change Agreement for Acquisition Price, etc. of Building:
Sakae 4-chome Office Building (Tentative Name)**

Kenedix Realty Investment Corporation (“the Investment Corporation”) today announced its decision to conclude a change agreement (“the Change Agreement”) for acquisition price, etc. of the Sakae 4-chome Office Building (Tentative Name). Details are as follows.

1. Overview of Change Agreement

The Change Agreement to the real estate acquisition agreement concluded on April 25, 2008 between the Investment Corporation and Wood Friends Co., Ltd. (“the Seller”; Please refer to the press release “Notice Concerning Acquisition of Land and Conclusion of Agreement for Acquisition of Building: Sakae 4-chome Office Building (Tentative Name)” dated April 23, 2008) has been concluded as of June 11, 2009 under the following general terms.

(1) Subjected Asset: Sakae 4-chome Office Building (Tentative Name)

Aforementioned building shall hereafter be referred to as “the Building.”

In addition, the Building and the land which has already been acquired shall hereafter be collectively referred to as “the Property.”

(2) Acquisition Price: Price Before the Change ¥4,325,000,000

Price After the Change ¥3,550,000,000

(Excluding acquisition costs, property tax, city-planning tax, and consumption tax, etc.)

(3) Property Name: KDX Nagoya Sakae Building (The Investment Corporation has decided on the name of the property due to the completion of the building)

(4) Master Lease Agreement : Deletion of article concerning guaranteed rents in the master lease agreement with the Seller (a fixed-term leasehold agreement)

(5) Planned Acquisition Date: July 1, 2009 (No change)

2. Reasons of the Change

After having made the decision to acquire the Property in April 2008, the market environment deteriorated to an extent unheard of until now. In the face of such circumstances, Kenedix REIT Management, Inc. (“the Asset Management Company”) conducted verifications regarding the various risks of acquiring the Building and

deliberated upon a wide range of choices, such as requesting a decrease in the acquisition price or canceling the acquisition agreement. Based on these deliberations, the Asset Management Company continued to hold discussions with the Seller and as a result, has reached a consensus to change the acquisition terms with the Seller. The Asset Management Company judges that on a medium- to long-term perspective, acquiring the Building after having concluded the Change Agreement would be beneficial for the Investment Corporation.

3. Change of the Brokerage Fee

Due to the change of the acquisition price, the brokerage fee changed as follows.

Name of brokerage firm	Kenedix, Inc.
Brokerage fee	Land: ¥120,000,000, Building: ¥106,500,000 (excluding taxes) (Note) The Investment Corporation will pay the total brokerage fee of the land and the building at the time of acquisition of the Building.
Relationship with the Investment Corporation or the Asset Management Company	Kenedix, Inc. is the parent company (investment ratio: 90%) of the Asset Management Company and is a related company as defined under the Investment Trust Law and the internal regulations of the Asset Management Company.

Note: Fee before the change of the Building price: Land:¥120,000,000, Building: ¥129,750,000

4. Probable Maximum Loss of the Building

Since the construction of the Building was completed on April 27, 2009 (inspection certificate as of May 11, 2009), an inspection regarding earthquake PML value was conducted by Sompo Japan Risk Management, Inc. Earthquake PML Value: 2.87% (PML for the portfolio of 67 properties, including the Property: 5.26%)

5. Outlook

For the revised forecasts for the fiscal period ending October 31, 2009, please refer to the press release “Notice Concerning Revisions to Operating Forecast for the Fiscal Period Ending October 31, 2009,” dated June 11, 2009.

Attached Materials

1. Projected Cash Flow
2. Property Portfolio after Acquisition of the Building

This notice is the English translation of the Japanese announcement on our Web site released on June 11, 2009. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Reference Material 1

Projected Cash Flow

Unit : Millions of Yen	
A. Projected Operating Revenues	385
B. Projected Operating Expenses (excluding depreciation)	113
C. Projected NOI (A-B)	271

Underlying assumptions (Land, Building):

1. The above projected cash flow is an estimate for one year and is exclusive of extraordinary factors of the year of acquisition.
2. Revenues are based on an occupancy ratio of approximately 96%, based on the current occupancy ratio and future changes of occupancy.
3. Expenses include property management fees, taxes and dues, repairs and maintenance expenses, and insurance.
4. Projected NOI is 20 million yen and 55 million yen for the ninth fiscal period and tenth fiscal period, respectively.

Reference Material 2

Property Portfolio after Acquisition of the Building

Type of Use	Area	Property Name	Acquisition Price (Millions of Yen) (Note 1)	Ratio (Note 1)	Acquisition Date
Office Buildings	Tokyo Metropolitan Area	KDX Harumi Building	10,250	4.6%	June 30, 2008
		Toranomon Toyo Building	9,850	4.4%	June 1, 2007
		Hiei Kudan-Kita Building	7,600	3.4%	February 1, 2008
		KDX Ochanomizu Building	6,400	2.8%	April 2, 2007
		KDX Shiba-Daimon Building	6,090	2.7%	March 1, 2007
		KDX Kojimachi Building	5,950	2.6%	November 1, 2005
		KDX Nihonbashi 313 Building	5,940	2.6%	August 1, 2005
		Toshin 24 Building	5,300	2.3%	May 1, 2006
		KDX Hirakawacho Building	5,180	2.3%	August 1, 2005
		KDX Shin-Yokohama 381 Building	4,700	2.1%	February 1, 2008
		Ebisu East 438 Building	4,640	2.0%	May 1, 2006
		Higashi-Kayabacho Yuraku Building	4,450	1.9%	August 1, 2005
		KDX Toranomon Building	4,400	1.9%	April 17, 2007
		KDX Nishi-Gotanda Building	4,200	1.8%	December 1, 2006
		KDX Kawasaki-Ekimae Hon-cho Building	3,760	1.6%	February 1, 2008
		KDX Hatchobori Building	3,680	1.6%	August 1, 2005
		KDX Omori Building	3,500	1.5%	May 1, 2006
		KDX Hamamatsucho Building	3,460	1.5%	May 1, 2006
		KDX Roppongi 228 Building	3,300	1.4%	January 10, 2008
		KDX Higashi-Shinjuku Building	2,950	1.3%	September 1, 2006
		KDX Kayabacho Building	2,780	1.2%	May 1, 2006
		KDX Jimbocho Building	2,760	1.2%	March 31, 2008
		Nissou Dai-17 Building	2,710	1.2%	February 1, 2008
		KDX Shinbashi Building	2,690	1.2%	May 1, 2006
		KDX Nakano-Sakaue Building	2,533	1.1%	August 1, 2005
		KDX Shin-Yokohama Building	2,520	1.1%	May 1, 2006
		Harajuku F.F. Building	2,450	1.1%	August 1, 2005
		Ikejiri-Oohashi Building	2,400	1.0%	February 1, 2008
		KDX Kajicho Building	2,350	1.0%	July 3, 2006
		KDX Hamacho Nakanohashi Building	2,310	1.0%	February 1, 2008
		KDX Hamacho Building	2,300	1.0%	March 16, 2006
		KDX Shinjuku 286 Building	2,300	1.0%	June 1, 2007
		FIK Minami Aoyama	2,270	1.0%	August 1, 2005
		KDX Funabashi Building	2,252	1.0%	March 1, 2006
		KDX Hamamatsucho Dai-2 Building	2,200	0.9%	September 1, 2008
		Shin-toshin Maruzen Building	2,110	0.9%	February 29, 2008
		KDX Okachimachi Building	2,000	0.8%	March 1, 2007
		KDX Gobancho Building (Note 2)	1,951	0.8%	March 31, 2008
		Kanda Kihara Building	1,950	0.8%	August 1, 2005
		KDX Yotsuya Building	1,950	0.8%	May 1, 2006
		KDX Iwamoto-cho Building	1,864	0.8%	May 1, 2008
KDX Shinjuku-Gyoen Building	1,610	0.7%	August 1, 2005		
KDX Kiba Building	1,580	0.7%	June 20, 2006		
KDX Nishi-Shinjuku Building	1,500	0.6%	April 2, 2007		
KDX Monzen-Nakacho Building	1,400	0.6%	January 19, 2007		

Type of Use	Area	Property Name	Acquisition Price (Millions of Yen) (Note 1)	Ratio (Note 1)	Acquisition Date
Office Buildings	Tokyo Metropolitan Area	KDX Kanda Misaki-cho Building	1,380	0.6%	February 1, 2008
		KDX Hon-Atsugi Building	1,305	0.5%	March 1, 2007
		KDX Hachioji Building	1,155	0.5%	March 1, 2007
		KDX Nogizaka Building	1,065	0.4%	July 14, 2006
	Other Regional Areas	KDX Nagoya Sakae Building (Note 2)	7,550	3.3%	Land: April 25, 2008 Building: July 1, 2009
		Portus Center Building	5,570	2.5%	September 21, 2005
		Karasuma Building	5,400	2.4%	June 1, 2007
		KDX Hakata-Minami Building	4,900	2.2%	February 1, 2008
		KDX Kitahama Building	2,220	0.9%	February 1, 2008
		KDX Sendai Building	2,100	0.9%	June 1, 2007
		KDX Minami Semba Dai-1 Building	1,610	0.7%	May 1, 2006
		KDX Minami Semba Dai-2 Building	1,560	0.7%	May 1, 2006
	KDX Niigata Building	1,305	0.5%	March 1, 2007	
Total of 58 Office Buildings			197,461	88.7%	-
Central Urban Retail Properties	Tokyo Metropolitan Area	Frame Jinnan-zaka	9,900	4.4%	August 1, 2005
		KDX Yoyogi Building	2,479	1.1%	September 30, 2005
	Total of 2 Central Urban Retail Properties			12,379	5.5%
Residential Properties	Tokyo Metropolitan Area	Residence Charmante Tsukishima	5,353	2.4%	May 1, 2006
		Court Mejiro	1,250	0.5%	August 1, 2005
		Apartments Motoazabu	1,210	0.5%	August 1, 2005
		Apartments Wakamatsu-Kawada	1,180	0.5%	August 1, 2005
		Gradito Kawaguchi	1,038	0.4%	June 30, 2006
		Court Shin-Okachimachi	878	0.3%	May 1, 2006
	Other Regional Areas	Venus Hibarigaoka	1,800	0.8%	December 8, 2005
Total of 7 Residential Properties			12,709	5.7%	-
Total of 67 Properties			222,549	100.0%	Portfolio PML 5.26% (Note 3)

Notes:

1. Figures of less than one million yen are rounded off from acquisition prices, and ratios are rounded off to the first decimal place.
2. Acquisition Price of ¥7,550 million is the total of the Land acquired on April 25, 2008 (¥4,000 million) and the Building planned to be acquired on July 1, 2009 (¥3,550 million).
3. KDX Nagoya Sakae Building is included in the Portfolio PML.