

Translation Purpose Only

June 22, 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 the Sale of Property (Apartments Motoazabu)

Kenedix Realty Investment Corporation (“the Investment Corporation”) announced its decision on June 22, 2009 to sell Apartments Motoazabu. Details are provided as follows.

1. Outline

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|------|---|--|
| (1) | Type of Assets for Sale | : Real estate |
| (2) | Property Name | : Apartments Motoazabu |
| (3) | Sales Price | : ¥1,052,000,000
(Excluding sales costs, adjusted amounts for property and city-planning tax, consumption tax, regional consumption tax, etc.) |
| (4) | Book Value | : ¥1,206,691,482
(Book value as of April 30, 2009) |
| (5) | Difference between Sales Price and Book Value | : ▲¥154,691,482 |
| (6) | Purchase and Sales Agreement Execution Date | : June 23, 2009 |
| (7) | Settlement Date | : June 23, 2009 |
| (8) | Buyer | : Please refer to 5. “Buyer’s Profile” for details |
| (9) | Settlement Method | : The plan is to end the trust arrangement made between the trustee entrusted with the real estate and the Investment Corporation and then sell it as real estate to the abovementioned buyer. |
| (10) | Method of Buyer Selection | : The buyer was selected after interested buyers for the property were introduced by domestic brokerage firms, and prices and conditions of sales, etc. were confirmed. |

The aforementioned asset for sale shall hereafter be referred to as “the Property.”

2. Reasons for Sale

The sale of the Property (residence) is part of the strategy of property replacement that is in line with the Investment Corporation’s management policy, “Development of a portfolio that focus on mid-sized office

buildings in the Tokyo Metropolitan Area” and policy to further strengthen the financial base (accumulating cash on hand).

Although the planned sales price of the Property falls below both the book value as of the end of the eighth fiscal period (April 30, 2009), and the appraisal value as of April 2009, it was decided that as market prices, these are of an appropriate level in light of the recent severely cooling conditions surrounding the residential purchase and sales market.

3. Use of Funds

The Investment Corporation plans to allocate the payment from the sale of the Property to future property acquisitions or to accumulate cash on hand.

4. Details of Property for Sale

Property Name		Apartments Motoazabu
Type of Specified Asset		Trust beneficiary interests in real estate *Please refer to abovementioned 1. (9)
Location (Address)		2-1-19 Motoazabu, Minato-ku, Tokyo
Usage		Residential complex
Type of Structure		Flat-roofed, reinforced concrete structure; eleven above-ground floors
Site Area	Land	639.41 m ²
	Building	1,685.14 m ²
Type of Ownership	Land	Proprietary ownership
	Building	Proprietary ownership
Completion Date		January 14, 2004
Acquisition Date		August 1, 2005
Acquisition Price		¥1,210,000,000
Appraisal Value		¥1,120,000,000 Base date of appraisal: April 30, 2009 Appraiser: Japan Real Estate Institute
Number of End Tenants		19 (As of May 31, 2009. The same applies below.)
Total Leasable Floor Area / Total Number of Leasable Residential Units		1,350.74 m ² / 22 units
Total Leased Floor Area / Total Number of Leased Residential Units		1,142.14 m ² / 19 units
Occupancy Ratio (Total Leased Floor Area Basis)		84.6%
Collateralized / Uncollateralized Asset		Uncollateralized asset

5. Buyer's Profile

The buyer of the Property will not be disclosed due to the duty of confidentiality as stipulated in the real estate purchase and sales agreement. The buyer of the Property is not special related party of Kenedix REIT Management, Inc. (“the Asset Management Company”).

6. Sale Schedule

June 22, 2009	Decision to sell the Property
June 23, 2009	Terminate trust beneficiary interests Execution of real estate purchase and sales agreement Settlement Sale of real estate

7. Asset Management Fees

The Investment Corporation shall pay a sales commission to the Asset Management Company in connection with the sale of subject real estate in accordance with the Asset Management Agreement.

Sales fee: An amount equivalent to 0.5% of the sales price identified in 1 (3) above.

Date of payment: Within one month after the settlement date.

8. Details of Brokerage

The details of the brokerage firm and the brokerage fee are as follows.

Name of brokerage firm	Mitsubishi Real Estate Servicess. Co., Ltd.
Brokerage fee	Disclosure of the fee was not approved by the brokerage firm.
Relationship with the Investment Corporation or the Asset Management Company	None

9. Interested-Party Transactions

The subject sale of real estate does not constitute an interested-party transaction.

The Investment Corporation shall pay a fee to Kenedix REIT Management, Inc. pursuant to the Property Management Agreements executed between the parties in connection with the sale of the subject real estate and the subsequent transfer in management control. The fee is ¥2.0 million. This fee relates to the transfer of management control and serves as a notice to the lessee regarding the transfer of leasing and management responsibilities and also relates to the handover of property management duties. Fees shall be paid promptly after settlement date.

10. Outlook

For details, please refer to the press release “Notice Concerning Revisions to Operating Forecasts for the Fiscal Period Ending October 31, 2009,” dated June 22, 2009 for revised forecasts for the fiscal period ending October 31, 2009.

Attached Material

Property Portfolio after Sale of the Property

This notice is the English translation of the Japanese announcement on our Web site released on June 22, 2009. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Reference Material

Property Portfolio after Sale of the Property

* Total number of properties, total acquisition price, ratio and total PML do not include the sale of the Property.

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	2.0%	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	0.9%	March 1, 2007
		KDX Gobancho Building	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	3.4%	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	1.0%	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	89.2%	-	
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	-	-	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 6 Residential Properties			11,499	5.1%	-	
Total of 66 Properties			221,339	100.0%	Portfolio PML 5.24% (Note 3)	

Notes:

- Figures of less than one million yen are rounded off from acquisition prices, and ratios are rounded off to the first decimal place.
- 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).
- KDX Nagoya Sakae Building is included in the Portfolio PML.