

October 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)

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Notice Concerning Debt Financing (Series 39)

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 agreements to apply the funds toward the repayment of Series 24 (total of ¥2,500 million) with a repayment date of October 26, 2009. (Note)

Note: For details, please refer to the press release “Notice Concerning Debt Financing (Series 24),” dated April 23, 2008 for Series 24.

2. Details of Debt Financing

① Short-Term Borrowing (Series 39-A)

- | | | |
|---------------------------|---|--|
| (1) Lender | : | The Bank of Tokyo-Mitsubishi UFJ, Ltd. |
| (2) Amount | : | ¥1,500 million |
| (3) Interest Rate | : | Floating rate of interest: 1.83636% (Note) |
| (4) Drawdown Date | : | October 26, 2009 |
| (5) Debt Financing Method | : | The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on October 22, 2009. |
| (6) Interest Payment Date | : | First interest payment on January 26, 2010, and on April 26, July 26 and October 26, 2010. |
| (7) Repayment Date | : | October 26, 2010 |
| (8) Repayment Method | : | Principal repayment in full on maturity |
| (9) Collateral | : | Secured, unguaranteed |

Note: The interest rate covers the period commencing October 26, 2009 through January 26, 2010. Thereafter, the interest rate shall be calculated based on the three-month yen TIBOR +1.30%. The interest rate after January 26, 2010, shall be disclosed as and when determined.

② Long-Term Borrowing (Series 39-B)

- (1) Lender : Sumitomo Mitsui Banking Corporation
 (2) Amount : ¥1,000 million
 (3) Interest Rate : Fixed rate of interest: 2.42375%
 (4) Drawdown Date : October 26, 2009
 (5) Debt Financing Method : The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on October 22, 2009.
 (6) Interest Payment Date : First interest payment on November 30, 2009, and at the end of February, May, August and November each year thereafter, and last interest payment on October 26, 2013.
 (7) Repayment Date : First repayment on February 28, 2010, and at the end of February and August each year thereafter, and last repayment on October 26, 2013.
 (8) Repayment Method : Feb. 28, 2010 to Aug. 31, 2013: repayment of ¥20 million, respectively Oct. 26, 2013: repayment of ¥840 million
 (9) Collateral : Secured, unguaranteed

3. Use of Funds

Debt financing shall be used for repayment of Series 24.

4. Total Debt Financing Balance after Additional Borrowings 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)	10.0	11.5	+1.5
Long-Term Borrowings (Note2)	76.72	75.22	-1.5
Total Borrowings Balance	86.72	86.72	+0.0
Investment Corporation Bonds	12.0	12.0	+0.0
Total of Debt Financing	98.72	98.72	+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.

5. Other

Risks related to the repayment of the aforementioned borrowings will have no material impact on “Investment Risks” described in the Securities Report (submitted July 27, 2009) for the 8th fiscal period.

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