

January 8, 2010

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 Debt Financing (Series 42)

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 agreement to apply the funds toward the repayment of Series 35 (total of ¥1,000 million) with a repayment date of January 13, 2010. (Note)

Note: For details, please refer to the press release “Notice Concerning Debt Financing (Series 35),” dated January 8, 2009 for Series 35.

2. Details of Debt Financing

Long-Term Borrowing (Series 42)

- | | | |
|---------------------------|---|---|
| (1) Lender | : | The Chuo Mitsui Trust and Banking Co., Limited |
| (2) Amount | : | ¥1,000 million |
| (3) Interest Rate | : | Fixed rate of interest: 1.90125% |
| (4) Drawdown Date | : | January 13, 2010 |
| (5) Debt Financing Method | : | The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on January 8, 2010. |
| (6) Interest Payment Date | : | First interest payment on January 29, 2010, and at the end of January, April, July and October each year thereafter, and last interest payment on January 15, 2013. |
| (7) Repayment Date | : | January 15, 2013 |
| (8) Repayment Method | : | Principal repayment in full on maturity |
| (9) Collateral | : | Secured, unguaranteed |

3. Use of Funds

Debt financing shall be used for repayment of Series 35.

4. Total Debt Financing Balance after Additional Borrowing 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)	8.5	7.5	-1.0
Long-Term Borrowings (Note2)	75.72	76.72	+1.0
Total Borrowings Balance	84.22	84.22	+0.0
Investment Corporation Bonds	12.0	12.0	+0.0
Total of Debt Financing	96.22	96.22	+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 January 8, 2010. However, no assurance or warranties are given for the completeness or accuracy of this English translation.