

January 13, 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

Inquiries:  
Masahiko Tajima  
Director / General Manager, Financial Planning Division  
TEL.: +81-3-3519-3491

**Notice Concerning the Change of Credit Rating**

Kenedix Realty Investment Corporation (“the Investment Corporation”) hereby announces that it received an announcement from Japan Credit Rating Agency, Ltd. (“JCR”) on January 13, 2010 that the credit rating of the Investment Corporation was changed as follows.

1. Details of the Change

(Before the Change)

Credit Rating Agency	Type of Credit Rating	Credit Rating	Outlook
JCR	Rating of Long-Term Senior Debt Ratings on Bonds Rating of Shelf Registration	A+	Negative

(After the Change)

Credit Rating Agency	Type of Credit Rating	Credit Rating	Outlook
JCR	Rating of Long-Term Senior Debt Ratings on Bonds Rating of Shelf Registration	A	Stable

2. Reasons for the Change of Credit Rating

According to an announcement by JCR, “JCR had assigned a rating outlook of Negative for Kenedix Realty Investment Corporation. However, the appraisal values of the Investment Corporation’s properties continue to show a decreasing trend and, as a result, the Investment Corporation posted an unrealized loss of approximately 18.5 billion yen (8.3% lower than the book value) as of the end of the ninth fiscal period. The Investment Corporation’s LTV is also on a rising trend when the property values are calculated on a market price basis. Consequently, JCR has decided to revise the credit rating of Kenedix Realty Investment Corporation from the current A+ to A, but to raise the outlook from Negative to Stable based on the judgment that the Investment Corporation maintains a certain level of financial flexibility.”

For a more detailed definition of the above rating, please refer to JCR's own press release (Japanese only).  
Japan Credit Rating Agency, Ltd.: <http://www.jcr.co.jp/english/>

### 3. Future Plans for the Investment Corporation

The Investment Corporation will work to maintain the good relationship with financial institutions centering on mega-banks and trust banks, while conducting conservative financial management, such as maintaining a conservative interest-bearing debt ratio. In addition, the Investment Corporation will persistently provide information to JCR concerning the asset management status focused on mid-sized office buildings, among other things.

This notice is the English translation of the Japanese announcement on our Web site released on January 13, 2010. However, no assurance or warranties are given for the completeness or accuracy of this English translation.