

Translation of Japanese Original

March 26, 2012

To All Concerned Parties

REIT Issuer:
Kenedix Realty Investment Corporation
2-2-9 Shimbashi, Minato-ku, Tokyo
Naokatsu Uchida, Executive Director
(Securities Code: 8972)

Asset Management Company:
Kenedix REIT Management, Inc.
Naokatsu Uchida, CEO and President

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Notice Concerning Debt Financing (Series 70)

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 a debt financing agreements to support the acquisition of trust beneficiary interest in real estate (Trust Beneficiary Interest) (View Flex Umeda Building), and payment of associated costs.

Furthermore, the Investment Corporation is working to diversify debt providers through conducting debt financing with a period of 5 years from The Bank of Fukuoka, Ltd., a new lender for the Investment Corporation. In addition, the Investment Corporation is working to diversify debt repayment dates and extend borrowing periods through such efforts as conducting other debt financing with a period of 7 years.

Note: For details, please refer to the press release “Notice Concerning Acquisitions of Property (View Flex Umeda Building),” dated March 26, 2012 regarding the acquisition of the Trust Beneficiary Interest (View Flex Umeda Building).

2. Details of Debt Financing

① Long-Term Borrowing (Series 70-A)

- | | | |
|---------------------------|---|---|
| (1) Lender | : | The Bank of Fukuoka, Ltd. |
| (2) Amount | : | ¥500 million |
| (3) Interest Rate | : | Fixed interest rate: 1.36375% |
| (4) Drawdown Date | : | March 28, 2012 |
| (5) Debt Financing Method | : | The Investment Corporation executed individual debt financing agreement with the aforementioned lender on March 26, 2012. |
| (6) Interest Payment Date | : | First interest payment on April 27, 2012, and at the end of every three month (on the last business day of each month, if the end of each month is a non-business day) thereafter, and last interest payment on March 28, 2017. |
| (7) Repayment Date | : | March 28, 2017 |
| (8) Repayment Method | : | Principal repayment in full on maturity |
| (9) Collateral | : | Unsecured, unguaranteed |

②Long-Term Borrowing (Series 70-B)

- (1) Lender : Sumitomo Mitsui Banking Corporation
- (2) Amount : ¥1,400 million
- (3) Interest Rate : Fixed interest rate: 1.77%
- (4) Drawdown Date : March 28, 2012
- (5) Debt Financing Method : The Investment Corporation executed individual debt financing agreement with the aforementioned lender on March 26, 2012.
- (6) Interest Payment Date : First interest payment on April 27, 2012, and at the end of every three month (on the last business day of each month, if the end of each month is a non-business day) thereafter, and last interest payment on March 28, 2019.
- (7) Repayment Date : March 28, 2019
- (8) Repayment Method : Principal repayment in full on maturity
- (9) Collateral : Unsecured, unguaranteed

③Long-Term Borrowing (Series 70-B)

- (1) Lender : Development Bank of Japan Inc.
- (2) Amount : ¥1,000 million
- (3) Interest Rate : Fixed interest rate: 1.77%
- (4) Drawdown Date : March 28, 2012
- (5) Debt Financing Method : The Investment Corporation executed individual debt financing agreement with the aforementioned lender on March 26, 2012.
- (6) Interest Payment Date : First interest payment on April 27, 2012, and at the end of every three month (on the last business day of each month, if the end of each month is a non-business day) thereafter, and last interest payment on March 28, 2019.
- (7) Repayment Date : March 28, 2019
- (8) Repayment Method : Principal repayment in full on maturity
- (9) Collateral : Unsecured, unguaranteed

3. Use of Funds

Debt financing shall be used to support the acquisition of the Trust Beneficiary Interest (View Flex Umeda Building), and payment of associated costs.

4. Total Debt Financing Balance after Additional Borrowing and Status of Investment Corporation Bonds (as of March 28, 2012)

(Billions of yen)				
		Balance Prior to Additional Debt Financing	Balance After Additional Debt Financing	Change
	Short-Term Borrowings (Note 1)	14.7	14.7	+0
	Long-Term Borrowings (Note 2)	114.2965	117.1965	+2.9
	Total Borrowings Balance	128.9965	131.8965	+2.9
	Investment Corporation Bonds	6.0	6.0	+0
	Total of Debt Financing	134.9965	137.8965	+2.9

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. However, the borrowings whose period until repayment date have surpassed one year because the repayment date 1 year from the drawdown date is not a business day and for which the repayment date has been moved to the following business day, are included in short-term borrowings.
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 borrowing will have no material impact on “Investment Risks” described in the Securities Report (submitted January 30, 2012) for the 13th fiscal period.

This notice is the English translation of the Japanese announcement on our Web site released on March 26, 2012. However, no assurance or warranties are given for the completeness or accuracy of this English translation.