

Translation of Japanese Original

December 6, 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 Office Partners, Inc.  
Naokatsu Uchida, CEO and President

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### **Notice Concerning Debt Financing (Series 78)**

Kenedix Realty Investment Corporation (“the Investment Corporation”) today announced its decision to undertake debt financing (total of ¥500 million). Details 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 41 (total of ¥500 million) with a repayment date of December 10, 2012.

Note: For details, please refer to the press release “Notice Concerning Debt Financing (Series 41),” dated December 4, 2009 for Series 41.

#### **2. Details of Debt Financing**

##### **Long-Term Borrowing (Series 78)**

- |                           |   |
|---------------------------|---|
| (1) Lender                | : Resona Bank, Ltd.   |
| (2) Amount                | : ¥500 million  |
| (3) Interest Rate         | : Fixed interest rate: 0.98250%   |
| (4) Drawdown Date         | : December 10, 2012   |
| (5) Debt Financing Method | : The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on December 6, 2012   |
| (6) Interest Payment Date | : First interest payment on February 28, 2013, 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 December 12, 2016. |
| (7) Repayment Date        | : December 12, 2016   |
| (8) Repayment Method      | : Principal repayment in full on maturity   |
| (9) Collateral            | : Unsecured, unguaranteed   |

#### **3. Use of Funds**

Debt financing shall be used for repayment of Series 41.

**4. Total Debt Financing Balance after Additional Borrowing and Status of Investment Corporation Bonds  
(as of December 10, 2012)**

(Billions of yen)

		Balance Prior to Additional Debt Financing	Balance After Additional Debt Financing	Change
	Short-Term Borrowings (Note 1)	5.7	5.7	+0
	Long-Term Borrowings (Note 2)	128.881	128.881	+0
	Total Borrowings Balance	134.581	134.581	+0
	Investment Corporation Bonds	6.0	6.0	+0
	Total of Debt Financing	140.581	140.581	+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. 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**

For the risks concerning repayment of the aforementioned borrowing, there are no significant changes in the "Investment Risks" described in the Securities Report (submitted July 30, 2012) for the 14th fiscal period.

This notice is the English translation of the Japanese announcement on our Web site released on December 6, 2012. However, no assurance or warranties are given for the completeness or accuracy of this English translation.