

October 17, 2013

To All Concerned Parties

REIT Issuer:
Kenedix Realty Investment Corporation
Naokatsu Uchida, Executive Director
(Securities Code: 8972)

Asset Management Company:
Kenedix Real Estate Fund Management, Inc.
Ryosuke Homma, CEO and President

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KRI Fund Division
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Notice Concerning the Formation of an Open-ended Unlisted Privately Placed
Real Estate Investment Corporation

Kenedix Real Estate Fund Management, Inc. (“KFM”), which is entrusted with the management of assets by Kenedix Realty Investment Corporation (“KRI”), has completed the establishment of Kenedix Private Investment Corporation (“KPI”), a new open-ended unlisted privately placed real estate investment corporation, as provided in the press release “Notice Concerning the Formation of an Open-ended Unlisted Privately Placed Real Estate Investment Corporation by the Asset Management Company, and Decision to Submit Notification of Change in Details and Method of Operations” dated October 8, 2013. Please see below for details.

1. Outline of KPI

(1)	Name	Kenedix Private Investment Corporation
(2)	Address	6-5 Nihombashi Kabutocho, Chuo-ku, Tokyo
(3)	Directors	Motoshi Ichiki, Executive Director Hiroshi Mogaki, Supervisory Director Kazuhiro Fujita, Supervisory Director
(4)	Formation Planner	Kenedix Real Estate Fund Management, Inc.
(5)	Asset Management Company	Kenedix Real Estate Fund Management, Inc. (planned)
(6)	Investment Target Assets	Large-scale office buildings, retail properties, hotels, etc.
(7)	Establishment Date	October 17, 2013
(8)	Commencement of Operations Date	Mid-March, 2014 (planned)

2. Effect of KPI Establishment

Please refer to the press release “Notice Concerning the Formation of an Open-ended Unlisted Privately Placed Real Estate Investment Corporation by the Asset Management Company, and Decision to Submit Notification of Change in Details and Method of Operations” dated October 8, 2013.

3. Schedule of Registration

Notification of Establishment	October 15, 2013
Establishment of KPI	October 17, 2013
Application for Registration	Late-October 2013 (planned)
Completion of Registration	Mid-November 2013 (planned)
Commencement of Operations	Mid-March 2014 (planned)

The above schedule is KFM’s plan as of the date of this document, but the actual dates for the registration and commencement of operations of KPI may be different due to the progress of internal procedures within KFM, or the provision of approvals or other actions by the relevant authorities.

4. Characteristics of KPI

Please refer to the press release “Notice Concerning the Formation of an Open-ended Unlisted Privately Placed Real Estate Investment Corporation by the Asset Management Company, and Decision to Submit Notification of Change in Details and Method of Operations” dated October 8, 2013.

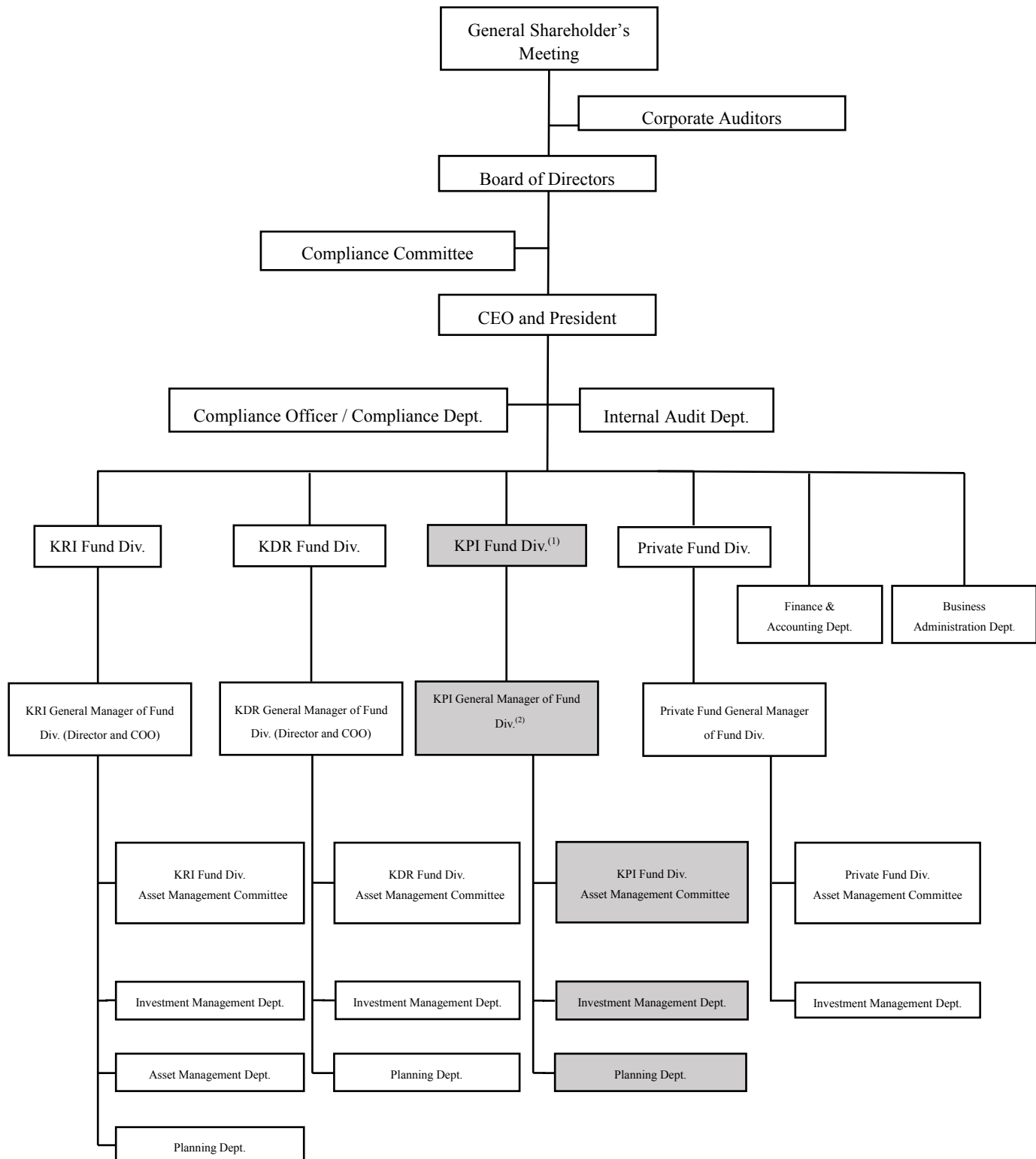
5. Impact on Performance

There are no revisions to the operating forecasts of KRI for the fiscal period ending October 31, 2013 (May 1, 2013 to October 31, 2013), as the impact on KRI’s performance from the establishment of KPI will be immaterial.

This notice is an English translation of the Japanese announcement on our Web site released on October 17, 2013. No assurance or warranties are given with respect to the accuracy or completeness of this English translation.

(Reference)

■ Organizational Chart of KFM After the Establishment of KPI



: KPI Fund Division

(1) Regarding the KPI Fund Division and KFM's approach to conflicts of interest, please refer to the press

release “Notice Concerning the Formation of an Open-ended Unlisted Privately Placed Real Estate Investment Corporation by the Asset Management Company, and Decision to Submit Notification of Change in Details and Method of Operations” dated October 8, 2013, which refers to the “New Fund Division ” as the “KPI Fund Division ”, for more details.

- (2) Motoshi Ichiki took up the post of KPI General Manager of Fund Division.