

Translation of Japanese Original

November 22, 2013

To All Concerned Parties

REIT Issuer:

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

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Notice Concerning Debt Financing (Series 92) and Prepayment (Series 88) of Debt Financing

Kenedix Realty Investment Corporation (the “Investment Corporation”) today announced its decision to undertake a total of ¥1,900 million in borrowings and the prepayment of debt financing. Please see below for additional details.

1. Purpose

The Investment Corporation has decided to execute debt financing agreements to apply funds toward the prepayment of Series 88 (total of ¥1,900 million) with a repayment date of March 13, 2014.

For additional details, please refer to the press release “Notice Concerning Debt Financing (Series 88),” dated September 11, 2013.

2. Details

Long-Term Borrowings (Series 92)

- | | |
|-------------------------|--|
| ① Lender | : (1) The Bank of Tokyo-Mitsubishi UFJ, Ltd.
(2) Aozora Bank, Ltd. |
| ② Amount | : (1) ¥1,000 million
(2) ¥900 million |
| ③ Interest Rate | : Base rate (JPY TIBOR for 3 months) + 0.55% (Note) |
| ④ Drawdown Date | : November 29, 2013 |
| ⑤ Debt Financing Method | : The Investment Corporation executed individual debt financing agreements with the aforementioned lenders on November 22, 2013. |
| ⑥ Interest Payment Date | : The first interest payment is due at the end of January 2014, and on the last day of every third month thereafter, with the last interest payment due on November 30, 2020.
(If the last day of the month is a non-business day, then the interest payment will be due on the previous business day.) |
| ⑦ Repayment Date | : November 30, 2020
(If the last day of the month is a non-business day, then the interest payment will be due on the previous business day.) |
| ⑧ Repayment Method | : Repayment of principal in full on maturity date. |
| ⑨ Collateral | : Unsecured, unguaranteed |

This press release is not an offer to sell or a solicitation of any offer to buy the securities of Kenedix Realty Investment Corporation in the United States or elsewhere. Investment units may not be offered or sold in the United States without registration or an exemption from registration under the United States Securities Act of 1933 (the “Securities Act”). Any public offering of investment units to be made in the United States will be made by means of an English language prospectus prepared in accordance with the Securities Act that may be obtained from the Investment Corporation and that will contain detailed information about the Investment Corporation and its management, as well as the Investment Corporation’s financial statements. However, the Investment Corporation will not undertake a public offering and sale of investment units in the United States, and the investment units have not been and will not be registered under the Securities Act.

(Note) The interest rate for the period commencing November 29, 2013 through the end of January 2014 is Japanese Yen TIBOR for 3 months, which will be released on November 27, 2013. Thereafter, the interest rate will be calculated based on Japanese Yen TIBOR for 3 months, which the Japanese Bankers Association (the “JBA”) releases two business days before each interest payment date. You can find the Japanese Yen TIBOR of the JBA on the JBA website (<http://www.zenginkyo.or.jp/en/tibor/>).

3. Use of Funds

The Series 92 borrowings will be used for the prepayment of Series 88.

4. Details of Debt Financing Prepayment

(1) Short-Term Borrowings (Series 88)

- ① Lender : (a) The Bank of Tokyo-Mitsubishi UFJ, Ltd.
(b) Aozora Bank, Ltd.
- ② Amount : (a) ¥1,000 million
(b) ¥900 million
- ③ Interest Rate : Floating interest rate: 0.56818% (Note)
- ④ Commencement Date : September 13, 2013
- ⑤ Repayment Date : March 13, 2014
- ⑥ Collateral : Unsecured, unguaranteed

(Note) This is the interest rate for the period commencing October 31, 2013 through November 29, 2013.

(2) Planned Prepayment Date November 29, 2013.

5. Total Debt Financing Balance after Additional Borrowing and procedure of prepayment, and Status of Investment Corporation Bonds (as of November 29, 2013)

(Millions of yen)

	Debt Financing Before Borrowings	Debt Financing After Borrowings	Difference
Short-Term Borrowings (Note 1) (Note 2)	9,100.0	7,200.0	-1,900.0
Long-Term Borrowings (Note 3)	135,158.0	137,058.0	+1,900.0
Total Borrowings	144,258.0	144,258.0	0.0
Corporate Bonds	6,300.0	6,300.0	0.0
Total Borrowings and Corporate Bonds	150,558.0	150,558.0	0.0

(Notes)

- Other than this debt financing, the Series 86-A (total of ¥2,000 million) repayment date is November 29, 2013. This figure is not included in the above table.
- Short-term borrowings refer to debt financing with a period less than or equal to one year from the drawdown date to the repayment date. However, borrowings for a period that has surpassed one year because the repayment date one year from the drawdown date is not a business day, and for which the repayment date has been moved to a different business day, are included in short-term borrowings.
- Long-term borrowings refer to debt financing with a period more than one year from the drawdown date to the repayment date.

6. Other

Regarding the risks concerning the repayment of the aforementioned borrowings, there are no significant changes to the “Investment Risks” as described in the Securities Report (submitted October 24, 2013) and any amendments thereto.

This notice is the English translation of the Japanese announcement released November 22, 2013 on our website. However, no assurances or warranties are given for the completeness or accuracy of this English translation.

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