Translation of Japanese Original

September 26, 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 89) and Execution of Interest-Rate Swap Agreement

Kenedix Realty Investment Corporation ("the Investment Corporation") today announced its decision to undertake debt financing (total of ¥2,700 million) and Execution of Interest-Rate Swap Agreement.
Details are provided as follows.

1. Rationale

The Investment Corporation has decided to execute debt financing agreements to apply the funds toward the repayment of Series 53-B (total of ¥2,000 million) and Series 63-A (total of ¥1,000 million) with a repayment date of September 30, 2013.

Note: For details, please refer to the press releases "Notice Concerning Debt Financing (Series 53)," dated February 24, 2011 for Series 53-B and "Notice Concerning Debt Financing (Series 63) and Prepayment of Debt Financing," dated September 28, 2011 for Series 63-A.

2. Details of Debt Financing

Long-Term Borrowing (Series 89)

(1)	Lender	:	(1) Aozora Bank, Ltd. (2) The Bank of Tokyo-Mitsubishi UFJ, Ltd.
(2)	Amount	:	(1) ¥1,800 million (2) ¥900 million
(3)	Interest Rate	:	Base rate (JPY TIBOR for 3-month in JBA) + 0.52% (Note)
(4)	Drawdown Date	:	September 30, 2013
(5)	Debt Financing Method	:	The Investment Corporation executed individual debt financing agreements with the aforementioned lenders on September 26, 2013
(6)	Interest Payment Date	:	First interest payment on October 31, 2013, and on the end of every 3-month (on the previous business day of each month, if the end of each month is a non-business day) thereafter, and last interest payment on September 30, 2019.
(7)	Repayment Date	:	September 30, 2019
(8)	Repayment Method	:	Principal repayment in full on maturity respectively
(9)	Collateral	:	Unsecured, unguaranteed

Note: The interest rate for the period commencing September 30, 2013 through October 31, 2013 is 0.75% (As of September 26, 2013, Japanese Yen TIBOR for 3-month is 0.23%)
Thereafter, the interest rate shall be calculated based on Japanese Yen TIBOR for 3-month which Japanese Bankers Association (JBA) releases two business days before each interest payment date.
You can find Japanese Yen TIBOR of JBA on website of JBA (http://www.zenginkyo.or.jp/en/tibor/)

3. Use of Funds

The abovementioned debt financing shall be used for repayment of Series 53-B and Series 63-A. Furthermore, remaining ¥300 million will be proceeds from the issuance of the Fifth Series Unsecured Investment Corporation Bonds.

4. Interest-Rate Swap Agreement

(1) Purpose

The Investment Corporation has decided to execute an interest-rate swap agreement as a hedge against possible increases in future interest rates for the aforementioned Long-term borrowing (Series 89).

(2) Summary of an Interest-Rate Swap Agreement (Series 89)

(a)	Counterparty	:	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
(b)	Notional Amount	:	¥2,700 million
(c)	Interest Rate	:	Pay a fixed rate of interest: 1.059% Receive a floating rate of interest: Base rate (JPY TIBOR for 3-month in JBA) + 0.52% (Note)
(d)	Commencement Date	:	September 30, 2013
(e)	Termination Date	:	September 30, 2019
(f)	Payment Date	:	First reset date on October 31, 2013, and at the end of every 3 month (on the last business day of each month, if the end of each month is a non-business day) thereafter, and on September 30, 2019.

Note: The basically fixed interest rate for Series 89 is 1.059% by entering the interest-rate swap agreement.

5. Total Debt Financing Balance after Additional Borrowing and Status of Investment Corporation Bonds (as of September 30, 2013)

(Millions of yen)

		Balance Prior to Additional Debt Financing	Balance After Additional Debt Financing	Change
	Short-Term Borrowings (Note 1)	9,100.0	9,100.0	0
	Long-Term Borrowings (Note 2)	135,482.0	135,182.0	-300.0
	Total Borrowings Balance	144,582.0	144,282.0	-300.0
	Investment Corporation Bonds	6,300.0	6,300.0	0
Total of Debt Financing		150,882.0	150,582.0	-300.0

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.

6. 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, 2013) for the 16th fiscal period.

This notice is the English translation of the Japanese announcement on our Web site released on September 26, 2013. However, no assurance or warranties are given for the completeness or accuracy of this English translation.