Translation of Japanese Original

November 19, 2013

To All Concerned Parties

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

Asset Management Company:
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Notice Concerning Related-Party Transaction (KDX Shinbashi Building)

Kenedix Realty Investment Corporation (the "Investment Corporation") today announced the execution of the lease agreement for KDX Shinbashi Building with a related party. Please see below for additional details.

1. Outline of the Related-Party Transaction

The Investment Corporation executed the lease agreement for KDX Shinbashi Building with Space Design, Inc., a related party.

Name of Tenant	Space Design, Inc.
Name of Leased Property	KDX Shinbashi Building
Leased Area	4F : 369.64 m^2
Leasing Contract Term	January 6, 2014 to June 30, 2016

2. Profile of the Related-Party

Company Name	Space Design, Inc.
Head Office Address	1-18-2 Shimbashi, Minato-ku, Tokyo
Representative	President: Saburo Takeda
Capital	¥6.0 billion
Business Activities	The purchase, sale, lease, brokerage and arrangement of real estate; real estate management operations for office buildings and rental apartments etc.
Principal Shareholders	Kenedix, Inc.
Relationship with the Investment Corporation or the Asset Management Company	Space Design, Inc. is a related company of a parent company of Kenedix Real Estate Fund Management, Inc., the asset management company of the Investment Corporation (the "Asset Management Company") as defined in the Financial Instruments and Exchange Law, and is a related party as set forth in the Investment Trust and Investment Corporation Law and KRI Fund Division related-party transaction rules of the Asset Management Company.

*As of November 1, 2013

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.

3. Related-Party Transactions

The Asset Management Company, as bound by the KRI Fund Division's rules as they relate to related-party transactions, worked to ensure strict compliance with statutory and other regulatory requirements. Furthermore, in order to ensure that the transaction was conducted in an open and fair manner and that the Investment Corporation was not disadvantaged, the Asset Management Company submitted the transaction for deliberation and approval to the Compliance Committee. After receiving such approval, the transaction was then submitted to the KRI Fund Division Asset Management Committee for ratification.

In accordance with the Investment Trust Law, the Asset Management Company will provide a report to the Investment Corporation regarding the related-party transaction.

4. Outlook

This related party transaction is minor effects on the operation and there are no revisions to the forecasts for the fiscal period ending April 30, 2014 (November 1, 2013 to April 30, 2014) as a result of this related-party transaction

This notice is the English translation of the Japanese announcement released November 19, 2013 on our website. However, no assurances or warranties are given for the completeness or accuracy of this English translation.

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