Translation of Japanese Original

January 29, 2014

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 96) and the Execution of Interest Rate Swap Agreements

Kenedix Realty Investment Corporation ("the Investment Corporation") today announced its decision to undertake a total of ¥4,900 million in borrowings and the execution of an interest rate swap agreements. Please see below for additional details.

1. Purpose of Debt Financing

The Investment Corporation has decided to execute debt financing agreements to apply the fund towards the payment of Series 81 (total of ¥1,200 million) and Series 48-C (total of ¥3,700 million), with a repayment date of January 31, 2014.

Note: For additional details, please refer to the press release "Notice Concerning Debt Financing (Series 81)," dated January 29, 2013 for Series 81, please refer to the press release "Notice Concerning Debt Financing (Series 48)," dated July 28, 2010 for Series 48-C.

2. Details of Debt Financing

(1) Long-Term Borrowing (Series 96-A)

①	Lender	:	Mitsubishi UFJ Trust and Banking Corporation
②	Amount	:	¥1,200 million
③	Interest Rate	:	Base rate (JPY TIBOR for 3 months) + 0.40% (Note)
④	Drawdown Date	:	January 31, 2014
⑤	Debt Financing Method	:	The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on January 29, 2014.
⑥	Interest Payment Date	:	The first interest payment is due on end of April, 2014, and on the last day of every third month thereafter, with the last interest payment due on January 31, 2017. (If the last date of the month is a non-business day, then the interest payment will be due on the next business day.)
⑦	Repayment Date	:	January 31, 2017 (If this date of the month is a non-business day, then the repayment will be due on the next business day.)
⑧	Repayment Method	:	Repayment of principal in full on maturity date
⑨	Collateral	:	Unsecured, unguaranteed

Note: The interest rate for the period commencing January 31, 2014 through April 30, 2014 is 0.62091% (as of January 29, 2014, Japanese Yen TIBOR for 3 months is 0.22091%). Thereafter, the interest rate shall 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/).

(2) Long-Term Borrowing (Series 96-B)

①	Lender	:	Sumitomo Mitsui Trust Bank, Limited
②	Amount	:	¥3,700 million
③	Interest Rate	:	Base rate (JPY TIBOR for 3 months) + 0.46% (Note)
④	Drawdown Date	:	January 31, 2014
⑤	Debt Financing Method	:	The Investment Corporation executed an individual debt financing agreement with the aforementioned lender on January 29, 2014.
⑥	Interest Payment Date	:	The first interest payment is due on end of April 2014, and on the last day of every third month thereafter, with the last interest payment due on January 31, 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	:	January 31, 2020 (If this date of the month is a non-business day, then the repayment will be due on the previous business day.)
⑧	Repayment Method	:	Repayment of principal in full on maturity date
⑨	Collateral	:	Unsecured, unguaranteed

Note: The interest rate for the period commencing January 31, 2014 through April 30, 2014 is 0.68091% (as of January 29, 2014, Japanese Yen TIBOR for 3 months is 0.22091%). Thereafter, the interest rate shall be calculated based on Japanese Yen TIBOR for 3 months, which 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 abovementioned debt financing (total of ¥4,900 million) will be used for the repayment of Series 81 and Series 48-C.

4. Interest Rate Swap Agreement

(1) Purpose

The Investment Corporation has decided to execute interest rate swap agreements as a hedge against possible increases in future interest rates for the Series 96 long-term borrowings.

(2) Details of the Interest Rate Swap Agreements

① Interest Rate Swap Agreement (Series 96-A)

Counterparty	:	Aozora Bank, Ltd.
Notional Amount	:	¥1,200 million
Interest Rates	:	Fixed interest rate for payment: 0.267% Floating interest rate for receipt: base rate (JPY TIBOR for 3 months) (Note)
Commencement Date	:	January 31, 2014
Termination Date	:	January 31, 2017
Payment Date	:	The first payment is due on end of April 2014, and on the last day of every third month thereafter, with the last interest payment on January 31, 2017. (If the last day of the month is a non-business day, then the payment will be due on the previous business day.)

Note: By entering into the interest rate swap agreement, the interest rate for Series 96-A is essentially fixed at 0.667%.

② Interest Rate Swap Agreement (Series 96-B)

Counterparty	:	Aozora Bank, Ltd.
Notional Amount	:	¥3,700 million
Interest Rates	:	Fixed interest rate for payment: 0.472% Floating interest rate for receipt: base rate (JPY TIBOR for 3 months) (Note)
Commencement Date	:	January 31, 2014
Termination Date	:	January 31, 2020
Payment Date	:	The first payment is due on end of April 2014, and on the last day of every third month thereafter, with the last interest payment on January 31, 2020.

(If the last day of the month is a non-business day, then the payment will be due on the previous business day.)

Note: By entering into the interest rate swap agreement, the interest rate for Series 96-B is essentially fixed at 0.932%.

5. Debt Financing Before and After the Borrowings with Corporate Bonds (as of January 31, 2014)

(Millions of yen)

		Debt Financing Before Borrowings	Debt Financing After Borrowings	Difference
	Short-Term Borrowings (Note 1)	7,200.0	6,000.0	-1,200.0
	Long-Term Borrowings (Note 2)	139,558.0	140,758.0	+1,200.0
	Total Borrowings	146,758.0	146,758.0	0.0
	Corporate Bonds	6,300.0	6,300.0	0.0
Total Borrowings and Corporate Bonds		153,058.0	153,058.0	0.0

Notes:

1. The debt financing, as press released "Notice Concerning Debt Financing (Series 95) and Prepayment (Series 86-B) of Debt Financing" dated January 24, 2014 is included in the above table.
2. 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, the borrowings for which the period until the repayment date have 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.
3. Long-term borrowings refer to debt financing with a period more than one year from the drawdown date to the repayment date.

6. Other

For 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 on our Web site released on January 29, 2014. However, no assurance or warranties are given for the completeness or accuracy of this English translation.