July 26, 2016

Company name: Kenedix, Inc.
Representative: Taisuke Miyajima, CEO & President
Stock code: 4321
Listing: First Section, Tokyo Stock Exchange
Contact: Masahiko Tajima, Director,
Head of Corporate Planning Department

Please note that this document is a translation of the official announcement that was released in Tokyo. The translation is prepared and provided for the purpose of the readers' convenience only.
All readers are strongly recommended to refer to the original Japanese version of the news release for complete and accurate information.

Notice of Sales of Assets

The non-consolidated SPC in which Kenedix, Inc. has made a silent partnership (tokumei kumiai) investment will sell assets to Kenedix Residential Investment Corporation as follows:

1. Reason for sale

The non-consolidated SPC, in which Kendix, Inc., Kenedix Residential Investment Corporation and other investors jointly have made silent partnership investments, plans to sell following trust beneficiary rights to Kenedix Residential Investment Corporation. Kenedix believes that this transaction will contribute to the formation and growth of the Kenedix Group's J-REIT investment portfolio.
* Kenedix's ratio of investment in this non-consolidated SPC is approx. 5%.

2. Assets to be sold

	Description and location	Selling price (Million yen, net of taxes)	Category
(1)	KDX Residence Nishi-azabu (Minato-ku, Tokyo)	1,224	Residential
(2)	KDX Residence Azabu Sendaizaka (Minato-ku, Tokyo)	792	Residential
(3)	KDX Residence Bunkyo Yushima (Bunkyo-ku, Tokyo)	695	Residential
(4)	KDX Residence Kamishakujii (Nerima-ku, Tokyo)	648	Residential
(5)	KDX Residence Waseda Tsurumaki (Shinjuku-ku, Tokyo)	561	Residential
	Total (five properties)	3,920	

3. Outline of purchaser

Name	Kenedix Residential Investment Corporation

4. Schedule

Contract signing	July 26, 2016
Transaction closing date	August 1, 2016 (tentative)

5. Outlook

The impact on the 2016 results of operations is negligible. There is no change in the 2016 consolidated forecast announced on February 10, 2016. An announcement will be made promptly if a forecast revision is needed due to changes in the operating environment, real estate market or results of operations.

Cautionary Statement Concerning Forward-Looking Information
This press release contains forward-looking statements that include "intends," "will" and other similar words and phrases, statements regarding the intent, belief, strategy, plans or current expectations of the Company. Such forward-looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors. The Company does not undertake any obligation to update the forward-looking statements contained herein, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by law.