

Translation of Japanese Original

October 1, 2013

To All Concerned Parties

REIT Issuer:

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

Asset Management Company:

Kenedix Real Estate Fund Management, Inc.
Ryosuke Homma, CEO and President

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Notice Concerning Filing of Notification Regarding Subsidiary Business
by the Asset Management Company

Kenedix Realty Investment Corporation (“the Investment Corporation”) announced that its asset management company, Kenedix Real Estate Fund Management, Inc. (the “Asset Management Company”) resolved at its board of directors’ meeting held today to file a notification regarding subsidiary businesses with the Financial Services Agency, based on the Financial Instruments and Exchange Act (“FIEA”). Details are provided as follows.

1. Date of Filing

Middle of October 2013 (planned)

2. Details of Notification

Based on Article 35-3 of the FIEA, the Asset Management Company will file a notification stating that it will start the following operations, which are among the businesses (the “Subsidiary Business”) set forth in Article 35-2 of the FIEA.

- (1) Business pertaining to other money loan, or intermediary service of lending and borrowing of money (Article 35-2-3 of the FIEA)
- (2) Business pertaining to building lots and buildings transaction business defined in Article 2-2 and Article 2-1 of the Building Lots and Buildings Transaction Business Act (Article 35-2-4 of the FIEA)
- (3) Business of conducting investment of investment property as an investment in assets other than securities or rights arising from derivative transactions (Article 35-2-6 of the FIEA)
- (4) Real estate management business (defined in Article 68-14 of the Cabinet Office Ordinance on Financial Instruments Business, Etc. (“Cabinet Ordinance on Financial Instruments Business”))
- (5) Business to conduct operations regarding management of an organization of a special purpose company on commission therefrom (Article 68-18 of the Cabinet Ordinance on Financial Instruments Business)
- (6) Business to manage money or other properties on behalf of other persons as an investment in assets other than interests in securities or derivatives transactions (Exempt defined in Article 35-1-15 and correspond to No.2 of Article 35-2-1, 35-2-2 and 35-2-5) (Article 68-19 of the Cabinet Ordinance on Financial Instruments Business)
- (7) Business to conduct mediation or introduction of other business person to a customer of its business (Article 68-21 of the Cabinet Ordinance on Financial Instruments Business)

- (8) Business incidental to the businesses referred to above (Article 68-24 of the Cabinet Ordinance on Financial Instruments Business).

Along with the filing of the notification for the Subsidiary Business, the Asset Management Company will file a notification of change in the registration for financial instruments business, based on Article 31-1 of the FIEA. In addition, the Asset Management Company will also file a notification of change in the Statement of Operating Procedures in a letter that describes the details and procedures of its business operations, based on Article 31-3 of the FIEA.

3. Reason for Notification

As announced in the press releases “Notice Concerning Conclusion of Memorandum of Reorganization by Kenedix Office Partners, Inc., the Asset Management Company” dated May 28, 2013 and “Notice Concerning Conclusion of a Memorandum of Agreement for Reorganization, Merger Agreements and related agreements by Kenedix Advisors, Kenedix Residential Partners and Kenedix Office Partners, the Asset Management Company” dated July 10, 2013, Kenedix Residential Partners, as the surviving company, will be merged with Kenedix Advisors, Inc. and Kenedix Office Partners, Inc. as of today.

In accordance with the merger, the Asset Management Company has decided to file the notification mentioned above in order to enable it, after the merger, to continuously conduct the subsidiary businesses that had been conducted by Kenedix Advisors, Inc. and Kenedix Office Partners, Inc. before the merger, and for other purposes.

4. Date of Business Commencement

October 1, 2013

5. Outlook

There are no revisions to the operating forecasts of the Investment Corporation for the fiscal period ending October 2013 (May 1, 2013 to October 31, 2013), as the impact on the performance from the filing of notification and related matters will be immaterial.

This notice is an English translation of the Japanese announcement on our Web site released on October 1, 2013. No assurance or warranties are given with respect to the accuracy or completeness of this English translation.