

Translation of Japanese Original
 To All Concerned Parties

May 23, 2013

REIT Issuer:
 Kenedix Realty Investment Corporation
 2-2-9 Shimbashi, Minato-ku, Tokyo
 Naokatsu Uchida, Executive Director
 (Securities Code: 8972)

Asset Management Company:
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Notice Concerning Acquisition of Investment Asset (Silent Partnership Equity Interest)

On May 23, 2013, Kenedix Realty Investment Corporation (“the Investment Corporation”) announced its decision to acquire the following asset consisting of a silent partnership equity interest. Details are as follows.

1. Outline of the Acquisition

- (1) Type of Acquisition : Equity interest in a silent partnership investing in real estate in trust beneficiary
- (2) Asset Name : Godo Kaisha KRF31 Silent Partnership Equity Interest (Note)
- (3) Real Estate in Trust : DNI Mita Building (“the Property”)
- (4) Acquisition Price : ¥200,000,000 (Excluding acquisition costs, etc.)
- (5) Seller : Please refer to Item 5. Seller’s Profile for details
- (6) Date of Contract : May 23, 2013
- (7) Acquisition Date : May 23, 2013
- (8) Acquisition Funds : Cash on hand
- (9) Settlement Method : Payment in full on delivery
- (10) Source of Acquisition : Acquisition from a party that does not fall under the category of an interested party

Note: The asset is a silent partnership interest in a silent partnership operated by G.K. KRF 31 (“the G.K.”). The G.K. owns and operates the trust beneficiary interest in the DNI Mita Building (“the Beneficiary Interest” and, together with the Property, “the Beneficiary Interest, etc.”).

The aforementioned type of acquisition shall hereinafter be referred to as “the Silent Partnership Equity Interest.”

2. Reason for Acquisition

The Silent Partnership Equity Interest is being acquired to ensure steady growth that emphasizes overall portfolio balance, in accordance with the Investment Corporation’s fundamental investment policies and approach to investing, as set forth in its Articles of Incorporation.

By acquiring the Silent Partnership Equity Interest, the Investment Corporation will receive profits in the form of dividends, backed by lease rents and other income from the Property (assumed dividend yield: 13.8%(Note)). Also, as preferential negotiation right will be granted with regard to the acquisition of the Beneficiary Interest, etc., the deal is significant in terms of diversification of investment methods and efforts toward future external growth. For an overview of the preferential negotiation right please refer to “3. Overview of the Silent Partnership Equity Interest.”

Note: The assumed dividend yield is based on the assumption that there will be no change in tenant contracts from that on

the acquisition date of the Silent Partnership Equity Interest and is computed based on the total amount of assumed dividend from the silent partnership which the Investment Corporation will receive when the G.K. manages the trust beneficiary interest for 2 years, divided by the acquisition price (¥200,000,000) and annualized (rounded to the first decimal place). Past performance of dividend is not disclosed because consent for disclosure has not been obtained from the seller.

The assumed dividend yield is forecast as of the date of this release. The actual dividend yield may differ due to changes in circumstances and other factors, etc. Moreover, the assumed dividend yield is not a guarantee of the future dividend yield.

In the decision to acquire the Silent Partnership Equity Interest, the following points of the Property were evaluated.

(1) Area

The area where the Property is situated is a business district spanning from Shibakouen to Shiba and Mita and is an office area with a concentration of high-rise office buildings primarily along Omote-dori. While the rent level in this area is relatively low compared to major office areas in central Tokyo (Minato Ward), demand from tenants from various locations can be expected as transportation is excellent due to the availability of several train lines as well as excellent access to the highway and the airport.

The Property is located about a seven-minute walk from Mita Station on the Toei Mita and Asakusa lines and Akabanebashi Station on the Toei Oedo Line, about an eight-minute walk from Shibakoen Station on the Toei Mita Line and about a ten-minute walk from Tamachi Station on the JR Yamanote and Keihin-Tohoku lines. Thus, the Property proves to be highly convenient for transit with the multiple train lines available. Additionally, the Property is situated along National Highway Route 1 (Sakurada-dori).

(2) Building

The standard floor has leasable floor area of approximately 313 m² (about 95 tsubo), a ceiling height of 2.5m, and is equipped with individual air-conditioning systems, OA floors, automated security and a mechanical parking lot for 36.

(3) Tenants

Currently, the Property is occupied by tenants from a variety of industries including IT related, insurance consulting and automobile parts manufacturing.

3. Overview of the Silent Partnership Equity Interest

| Name of Operator | G.K. KRF31 | | | | | | | | |
|---|---|--|------------|--|----------|---------------|---|---|-----------------------------|
| Silent Partnership Agreement Valid Until | Until March 31, 2021 | | | | | | | | |
| Balance of Net Asset including silent partnership equity interest | ¥1,741 million (as of March 31, 2013) | | | | | | | | |
| Overview of the Silent Partnership Agreement | The silent partnerships' balance sheet as of March 31, 2013 is as follows. | | | | | | | | |
| | <table border="1" style="width: 100%;"> <tr> <th colspan="2" style="text-align: center;">G.K. KRF31</th> </tr> <tr> <td style="width: 50%;">(Assets)</td> <td style="width: 50%;">(Liabilities)</td> </tr> <tr> <td>Trust beneficiary interest in real estate , etc. (Note 1): ¥4.69 billion</td> <td>Limited recourse loan (Note 2): ¥2.87 billion Other liabilities: ¥0.21 billion</td> </tr> <tr> <td>Other assets: ¥0.34 billion</td> <td>(Equity) Net assets including silent partnership equity interest and others (Note 3): ¥1.95 billion</td> </tr> </table> | | G.K. KRF31 | | (Assets) | (Liabilities) | Trust beneficiary interest in real estate , etc. (Note 1): ¥4.69 billion | Limited recourse loan (Note 2): ¥2.87 billion Other liabilities: ¥0.21 billion | Other assets: ¥0.34 billion |
| G.K. KRF31 | | | | | | | | | |
| (Assets) | (Liabilities) | | | | | | | | |
| Trust beneficiary interest in real estate , etc. (Note 1): ¥4.69 billion | Limited recourse loan (Note 2): ¥2.87 billion Other liabilities: ¥0.21 billion | | | | | | | | |
| Other assets: ¥0.34 billion | (Equity) Net assets including silent partnership equity interest and others (Note 3): ¥1.95 billion | | | | | | | | |
| | Notes: | | | | | | | | |
| | 1. The appraisal value of the Property as of May 1, 2013 is ¥3,430 million. Please refer to Item 4. Details of the Beneficiary Interest, etc. | | | | | | | | |
| | 2. The balance of the limited recourse loan as of April 30, 2013 was ¥2,839 million. | | | | | | | | |

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| | <p>3. The balance of the net assets including silent partnership investment as of the date of acquisition of the Silent Partnership Equity Interest is ¥1,741 million, all of which is owned by the seller. The Investment Corporation will acquire a ¥839 million portion (approximately 48.2% of the whole) of the Silent Partnership investment for ¥200 million and Kenedix, Inc. will acquire a ¥902 million portion (approximately 51.8% of the whole) for ¥215 million. The acquisition price was determined with reference to appraisal value and consideration of other factors that would influence the price.</p> <p>Kenedix, Inc. is a parent company of Kenedix Office Partners, Inc. (“the Asset Management Company”), the asset management company of the Investment Corporation, as defined under the Financial Instruments and Exchange Law and is a related party as defined under the Investment Trust and Investment Corporation Law and an interested party as set forth in the interested party transaction rules of the Asset Management Company.</p> <p>Calculation period: The 3 months commencing January 1 through March 31, April 1 through June 30, July 1 through September 30 and October 1 through December 31 of each year. However, the final calculation period shall commence on the day after the last day of the calculation period immediately before the termination date of the Silent Partnership Agreement through the termination date of the Silent Partnership Agreement.</p> <p>Distribution of profit or loss: Profit or loss during each calculation period shall be distributed to respective silent partner according to their investment ratio.</p> <p>Kenedix Advisors Co., Ltd. (“KDA”) will be entrusted with the G.K.’s asset management business on the same date as the Investment Corporation’s acquisition of the Silent Partnership Equity Interest.</p> <p>KDA is a wholly owned subsidiary of Kenedix Asset Management, Inc., which is a parent company of the Asset Management Company, and is a related party as defined under the Investment Trust and Investment Corporation Law and an interested party as set forth in the interested party transaction rules of the Asset Management Company</p> |
| Outline of the Preferential Negotiation Right | The Investment Corporation may preferentially negotiate with the operator with regard to the acquisition of the Beneficiary Interest, etc. by November 23, 2014 by notifying the operator in writing that it wishes to acquire the Beneficiary Interest, etc. at a price equal to or greater than ¥3,180 million. |

4. Details of the Beneficiary Interest, etc.

| | | |
|----------------------------------|---|-------------------------|
| Property Name | DNI Mita Building | |
| Type of Specified Asset | Trust beneficiary interest in real estate | |
| Trustee | Sumitomo Mitsui Trust Bank, Limited | |
| Trust Term | October 21, 2005 to March 31, 2021 | |
| Current Owner / Acquisition Date | G.K. KRF31 / June 30, 2004 | |
| Location (Address) | 3-43-16 Shiba, Minato-ku, Tokyo | |
| Usage | Offices, Retails Shops, Storage | |
| Type of Structure | Flat-roofed, steel reinforced · steel-frame reinforced concrete structure; three underground and eleven above-ground floors | |
| Site Area | Land | 548.72 m ² |
| | Building (total floor space) | 5,007.98 m ² |

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| Type of Ownership | Land | Proprietary ownership |
| | Building | Proprietary ownership |
| Completion Date | | March 31, 1993 |
| Architect | | T.SONODA ARCHITECTS & ENGINEERS CO.,LTD. |
| Construction Company | | HAZAMA CORPORATION (currently HAZAMA ANDO CORPORATION) |
| Construction Confirmation Authority | | Minato-ku, Tokyo |
| Probable Maximum Loss | | 7.6% (rated by Sompo Japan Nipponkoa Risk Management Inc.) |
| Appraisal | Appraisal Value | ¥3,430,000,000 |
| | Base Date for Appraisal | May 1, 2013 |
| | Appraiser | Japan Real Estate Institute |
| Existence of Secured Interests after Acquisition | | A pledge with the lender of the limited recourse loan as the pledgee is established. |
| Master Lease Company after Acquisition | | The G.K. |
| Property Management Company after Acquisition | | XYMAX AXIS |
| Number of End Tenants | | 9 (As of April 30, 2013. The same applies below.) |
| Total Leasable Floor Area | | 3,416.30 m ² |
| Total Leased Floor Area | | 2,477.15 m ² (Note 1)(Note 2) |
| Occupancy Ratio | | 72.5% (Note 1)(Note 2) |
| Monthly Rental Income (Excluding Consumption Tax) | | ¥13,388 thousand (Note 1)(Note 2)(Note 3)(Note 4) |
| Security and Guarantee Deposit | | ¥140,712 thousand (Note 1) (Note 2)(Note 4) |
| Other | <p>Notes:</p> <ol style="list-style-type: none"> 1. A new rental agreement has been concluded for the portion on the seventh floor (313.05m²), which was vacant as of April 30, 2013, with contract start date being September 1, 2013. This figure is not included for the number of end-tenants. 2. A fixed-term building lease contract with sublease conditions, commencing on May 23, 2013, has been concluded for the portions on the fifth and sixth floors (626.10m² in total), which were vacant as of April 30, 2013. The figures related to the concerned fixed-term building lease contract with sublease conditions are not included. 3. The indicated figure includes the total amount of monthly rents and common area charge from one end tenant to which the lease period already started as of April 30, 2013, after the entire amount of monthly rents became due in accordance with the lease agreement. 4. Monthly rental income and guarantee deposit information is exclusive of parking amounts, cost of utilities and other revenues and is rounded down to the nearest thousand. | |

5. Sellers' Profile

Names, etc. of the seller is not disclosed because the seller has not given its consent. There are no significant capitals, personnel or business relationships of note between the Investment Corporation / Asset Management Company and the issuer. In addition, seller does not meet the definition of an interested party under the Investment Trust Law and the internal regulations of the Asset Management Company.

6. Profile of the Silent Partnership Operator

| | |
|----------------------------------|--|
| Company Name | G.K. KRF31 |
| Location | 1-4-1 Nihombashi, Chuo-ku, Tokyo |
| Title and Name of Representative | Representative employee Opal Ippan Shadan Hojin Operational executor Keiichi Omura (Note 1) |

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|---|---|
| Description of Business | 1. Acquire, hold, dispose, lease and manage real estate 2. Acquire, hold and dispose trust beneficiary interest in real estate |
| Amount of Capital | ¥10 million |
| Date of Incorporation | June 12, 2008 |
| Relationship with the Investment Corporation/the Asset Management Company | |
| Capital Relationship | There is no special capital relationship between the G.K. and the Investment Corporation or the Asset Management Company. (Note 2) |
| Personnel Relationship | There is no special personnel relationship between the G.K. and the Investment Corporation or the Asset Management Company. |
| Business Relationship | There is no special business relationship between the G.K. and the Investment Corporation or the Asset Management Company. (Note 3) |
| Applicability of Related Party Relationships | The G.K. is not a related company as defined under the Investment Trust Law or the internal regulations of the Asset Management Company. |
| Others | <p>Notes:</p> <ol style="list-style-type: none"> 1. The representative of the G.K. is scheduled to be changed as of the same date as the Investment Corporation's acquisition of the Silent Partnership Equity Interest. 2. As indicated in "3. Overview of the Silent Partnership Equity Interest," Kenedix, Inc., the parent company of the Asset Management Company, is scheduled to acquire a portion of G.K. KRF 31's Silent Partnership Equity Interest as of the same date as the Investment Corporation's acquisition of the Silent Partnership Equity Interest. 3. As indicated in "3. Overview of the Silent Partnership Equity Interest," KDA, a wholly-owned subsidiary of Kenedix Asset Management, Inc., the parent company of the Asset Management Company, is scheduled to be entrusted with the G.K.'s asset management business. |

*As of May 13, 2013

7. Interested-Party Transactions

Not applicable

8. Acquisition Schedule

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| Date of Determination of Acquisition | May 23, 2013 |
| Date of Silent Partnership Equity Interest Transfer / Execution of Acquisition Agreement | |
| Scheduled Investment Date | |
| | |

9. Outlook

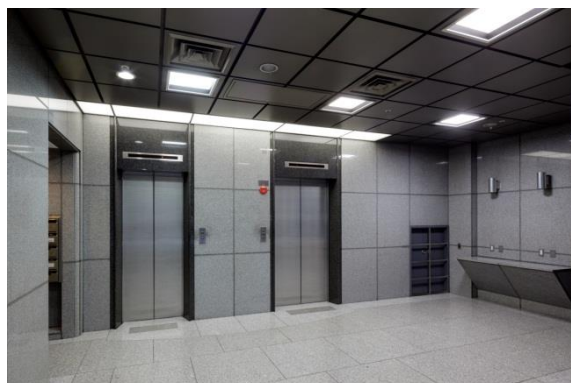
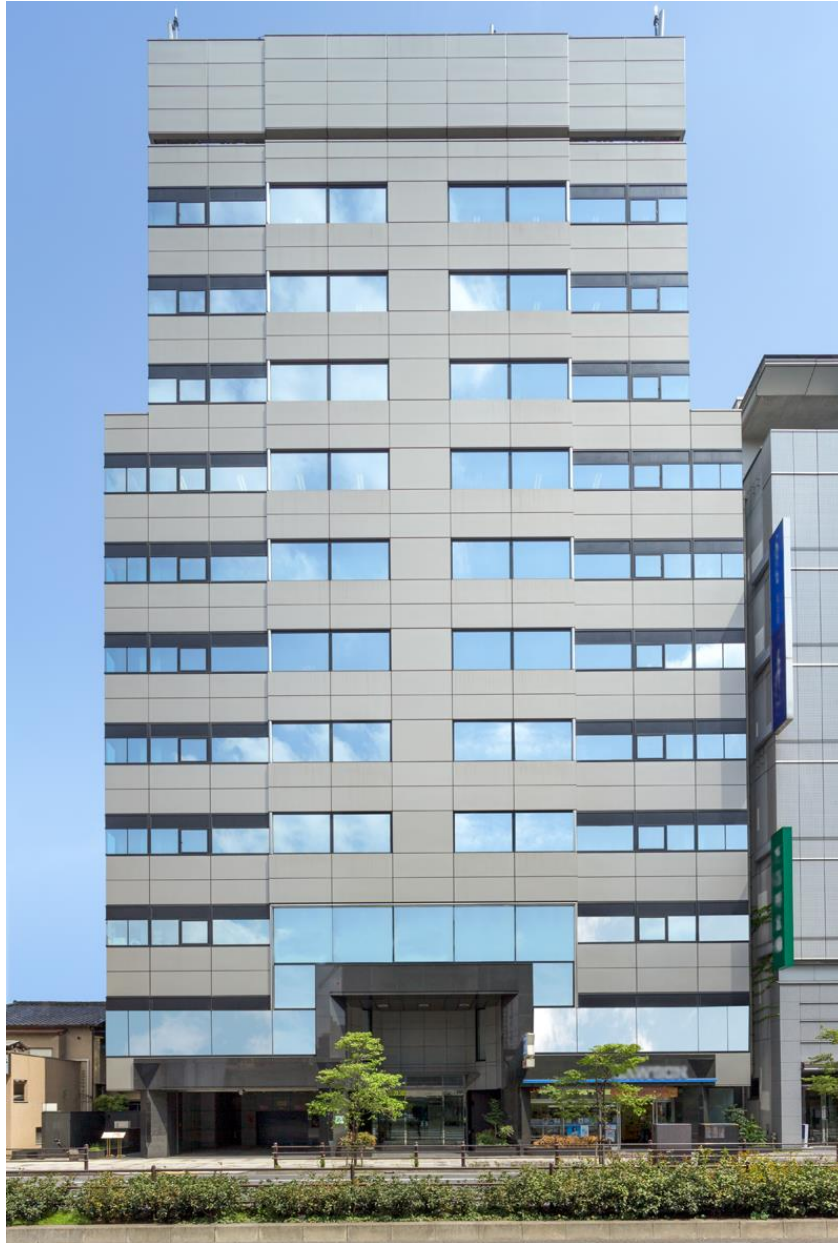
The impact of the acquisition of the Silent Partnership Equity Interest on the financial results for the period ending October 31, 2013 (May 1, 2013 to October 31, 2013) is minimal. Therefore, the forecast of financial results for the period remain unchanged.

Attached Materials

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| Reference Material 1 | Property Photographs |
| Reference Material 2 | Property Portfolio after Acquisition of the Silent Partnership Equity Interest |

Reference Material 1

Property Photographs



Reference Material 2

Property Portfolio after Acquisition of the Silent Partnership Equity Interest

| Type of Use | Area | Property Name | Acquisition Price (Millions of Yen) (Note 1) | Ratio (Note 1) | Acquisition Date |
|----------------------------|-------------------------|---|--|----------------|--|
| Office Buildings | Tokyo Metropolitan Area | KDX Nihonbashi Kabutocho Building | 11,270 | 3.8% | December 26, 2011 |
| | | KDX Harumi Building | 10,250 | 3.5% | June 30, 2008 |
| | | Toranomon Toyo Building | 9,850 | 3.3% | June 1, 2007 |
| | | Hiei Kudan-Kita Building | 7,600 | 2.6% | February 1, 2008 |
| | | KDX Shinjuku Building | 6,800 | 2.3% | February 18, 2010 |
| | | KDX Ochanomizu Building | 6,400 | 2.2% | April 2, 2007 |
| | | Fuchu South Building | 6,120 | 2.1% | September 21, 2012 |
| | | KDX Shiba-Daimon Building | 6,090 | 2.0% | March 1, 2007 |
| | | KDX Kojimachi Building | 5,950 | 2.0% | November 1, 2005 |
| | | KDX Nihonbashi 313 Building | 5,940 | 2.0% | August 1, 2005 |
| | | KDX Shin-Yokohama 381 Building (Note 2) | 5,800 | 1.9% | Existing Tower: February 1, 2008 Annex Tower: November 18, 2009 |
| | | Toshin 24 Building | 5,300 | 1.8% | May 1, 2006 |
| | | KDX Iidabashi Building | 4,670 | 1.6% | July 22, 2011 |
| | | KDX Ebisu Building | 4,640 | 1.5% | May 1, 2006 |
| | | KDX Higashi Shinagawa Building | 4,590 | 1.5% | July 22, 2011 |
| | | Higashi-Kayabacho Yuraku Building | 4,450 | 1.5% | August 1, 2005 |
| | | KDX Toranomon Building | 4,400 | 1.5% | April 17, 2007 |
| | | KDX Ginza 1chome Building | 4,300 | 1.4% | November 12, 2010 |
| | | KDX Nishi-Gotanda Building | 4,200 | 1.4% | December 1, 2006 |
| | | KDX Nihonbashi Honcho Building | 4,000 | 1.3% | November 12, 2010 |
| | | KDX Kawasaki-Ekimae Hon-cho Building | 3,760 | 1.2% | February 1, 2008 |
| | | KDX Hatchobori Building | 3,680 | 1.2% | August 1, 2005 |
| | | KDX Hamamatsucho Building | 3,460 | 1.1% | May 1, 2006 |
| | | KDX Roppongi 228 Building | 3,300 | 1.1% | January 10, 2008 |
| | | Koishikawa TG Building | 3,080 | 1.0% | November 18, 2009 |
| | | KDX Higashi-Shinjuku Building | 2,950 | 1.0% | September 1, 2006 |
| | | Kasuga Business Center Building | 2,800 | 0.9% | September 21, 2012 |
| | | KDX Kayabacho Building | 2,780 | 0.9% | May 1, 2006 |
| | | KDX Jimbocho Building | 2,760 | 0.9% | March 31, 2008 |
| | | Nissou Dai-17 Building | 2,710 | 0.9% | February 1, 2008 |
| | | KDX Hakozaeki Building | 2,710 | 0.9% | July 22, 2011 |
| | | KDX Shinbashi Building | 2,690 | 0.9% | May 1, 2006 |
| | | Gotanda TG Building | 2,620 | 0.9% | November 18, 2009 |
| KDX Nakano-Sakaue Building | 2,533 | 0.8% | August 1, 2005 | | |
| KDX Shin-Yokohama Building | 2,520 | 0.8% | May 1, 2006 | | |
| Harajuku F.F. Building | 2,450 | 0.8% | August 1, 2005 | | |
| Ikejiri-Oohashi Building | 2,400 | 0.8% | February 1, 2008 | | |
| KDX Kajicho Building | 2,350 | 0.8% | July 3, 2006 | | |

| | | | | | |
|---------------------------------|--|-------------------------------------|--------|-------------------|--|
| Office Buildings | Tokyo Metropolitan Area | KDX Hamacho Nakanohashi Building | 2,310 | 0.7% | February 1, 2008 |
| | | KDX Hamacho Building | 2,300 | 0.7% | March 16, 2006 |
| | | KDX Shinjuku 286 Building | 2,300 | 0.7% | June 1, 2007 |
| | | KDX Shin-Nihonbashi Building | 2,300 | 0.7% | July 22, 2011 |
| | | FIK Minami Aoyama | 2,270 | 0.7% | August 1, 2005 |
| | | KDX Funabashi Building | 2,252 | 0.7% | March 1, 2006 |
| | | KDX Hamamatsucho Dai-2 Building | 2,200 | 0.7% | September 1, 2008 |
| | | Shin-toshin Maruzen Building | 2,110 | 0.7% | February 29, 2008 |
| | | Nomura Fudosan Omiya Kyodo Building | 2,020 | 0.6% | March 26, 2013 |
| | | KDX Nihonbashi 216 Building | 2,010 | 0.6% | December 1, 2009 |
| | | KDX Okachimachi Building | 2,000 | 0.6% | March 1, 2007 |
| | | KDX Gobancho Building | 1,951 | 0.6% | March 31, 2008 |
| | | Kanda Kihara Building | 1,950 | 0.6% | August 1, 2005 |
| | | Nakameguro Business Center Building | 1,880 | 0.6% | September 21, 2012 |
| | | KDX Iwamoto-cho Building | 1,864 | 0.6% | May 1, 2008 |
| | | KDX Kiba Building | 1,580 | 0.5% | June 20, 2006 |
| | | KDX Nishi-Shinjuku Building | 1,500 | 0.5% | April 2, 2007 |
| | | KDX Monzen-Nakacho Building | 1,400 | 0.4% | January 19, 2007 |
| | | KDX Kanda Misaki-cho Building | 1,380 | 0.4% | February 1, 2008 |
| | | KDX Hon-Atsugi Building | 1,305 | 0.4% | March 1, 2007 |
| | | Kabutocho Nikko Building II | 1,280 | 0.4% | December 26, 2011 |
| | | Tachikawa Ekimae Building | 1,267 | 0.4% | December 26, 2011 |
| | KDX Hachioji Building | 1,155 | 0.3% | March 1, 2007 | |
| | KDX Nogizaka Building | 1,065 | 0.3% | July 14, 2006 | |
| | Other Regional Areas | KDX Nagoya Sakae Building | 7,550 | 2.5% | Land: April 25, 2008 Building: July 1, 2009 |
| | | KDX Nagoya Ekimae Building | 7,327 | 2.5% | December 26, 2011 |
| | | Portus Center Building | 5,570 | 1.9% | September 21, 2005 |
| | | Karasuma Building | 5,400 | 1.8% | June 1, 2007 |
| | | KDX Hakata-Minami Building | 4,900 | 1.6% | February 1, 2008 |
| | | Nagoya Nikko Shoken Building | 4,158 | 1.4% | December 26, 2011 |
| | | KDX Kobayashi-Doshomachi Building | 2,870 | 0.9% | December 1, 2010 |
| | | KDX Higashi Umeda Building | 2,770 | 0.9% | March 28, 2012 |
| | | KDX Kitahama Building | 2,220 | 0.7% | February 1, 2008 |
| KDX Sendai Building | | 2,100 | 0.7% | June 1, 2007 | |
| Kitananajo SIA Building | | 2,005 | 0.6% | March 25, 2011 | |
| KDX Minami Semba Dai-1 Building | | 1,610 | 0.5% | May 1, 2006 | |
| KDX Minami Semba Dai-2 Building | | 1,560 | 0.5% | May 1, 2006 | |
| KDX Niigata Building | | 1,305 | 0.4% | March 1, 2007 | |
| Sendai Nikko Building | | 950 | 0.3% | December 26, 2011 | |
| Total of 77 Office Buildings | | 270,118 | 92.8% | - | |
| Central Urban Retail Properties | Tokyo Metropolitan Area | Frame Jinnan-zaka | 9,900 | 3.4% | August 1, 2005 |
| | | KDX Yoyogi Building | 2,479 | 0.8% | September 30, 2005 |
| | Total of 2 Central Urban Retail Properties | | 12,379 | 4.2% | - |

| | | | | | |
|-------------------------------|--|--------------------------------|--------------|-------------|----------------------|
| Residential Properties | Tokyo Metropolitan Area | Residence Charmante Tsukishima | 5,353 | 1.8% | May 1, 2006 |
| | | Court Mejiro | 1,250 | 0.4% | August 1, 2005 |
| | Other Regional Areas | Venus Hibarigaoka | 1,800 | 0.6% | December 8, 2005 |
| | Total of 3 Residential Properties | | 8,403 | 2.8% | - |
| Total of 82 Properties | | | 290,900 | 100.0% | Portfolio PML 4.85 % |

| | | | | | |
|------------------------------|--|--|-------|---|----------------|
| Investment Securities | Senri Property TMK Preferred Securities | | 891 | - | April 26, 2012 |
| | Godo Kaisha KRF31 Silent Partnership Equity Investment | | 200 | - | May 23, 2013 |
| | Total of 2 Investment Securities | | 1,091 | - | - |

Notes:

1. Figures of less than one million yen are rounded off from acquisition prices, and ratios are rounded off to the first decimal place.
2. The acquisition price of the existing tower acquired on February 1, 2008 was 4,700 million yen, and the acquisition price of the annex tower acquired on November 18, 2009 was 1,100 million yen.