

September 30, 2010

To whom it may concern:

Company name: Kenedix, Inc.  
Representative: Atsushi Kawashima, President  
Stock code: 4321  
Listing: First Section, Tokyo Stock Exchange  
Contact: Taiji Yoshikawa, Director

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.

### Notification of Commencement of Subordinated Term Loan Commitment

Kenedix, Inc. (the "Company") hereby announces that it has entered into an agreement for a ¥1.0 billion subordinated term loan commitment with UDS III Corporate Mezzanine Limited Partnership, which is managed by Development Bank of Japan Inc., with an effective date of September 30, 2010.

1. Amount: ¥1,000,000,000.-
2. Tenor: From September 30, 2010, to June 28, 2013
3. Lender: UDS III Corporate Mezzanine Limited Partnership
4. Form of loan: Subordinated Term Loan Commitment

Note: The agreement allows for long-term borrowing within a designated period, with the contract amount as the maximum loan amount. It is not a revolving credit type of loan. Repayments of loans under this agreement are, under certain conditions, subordinate to the repayment of obligations to other correspondent financial institutions.

5. Collateral / guarantee: The loans are neither collateralized nor guaranteed by any party.
6. Overview:

The Company has been making steady progress under its Medium-Term Management Plan, formulated to flexibly respond to rapid changes in the market environment, increase assets under management, streamline the balance sheet, and build a stable profit structure. As a part of this process, the Company was able to further strengthen its financial position and procure funds for strategic investments by raising approximately ¥15.1 billion via a capital increase by public offering and third-party allocation of newly issued shares in August 2010.

Following such reinforcement of its financial position and as a means of progressing further under the Medium-Term Management Plan, the Company has reached an agreement with UDS III Corporate Mezzanine Limited Partnership, managed by Development Bank of Japan Inc., to newly establish a facility under which the Company will be able to receive unsecured loans for a maximum tenor of approximately two years and nine months. These funds will be used for real estate equity investments. Thus, these funds will further enhance the Company's ability to make strategic investments while maintaining financial flexibility, by acquiring long-term stable funds with high flexible availability.

This agreement with UDS III Corporate Mezzanine Limited Partnership represents the Company's first transaction with the Development Bank of Japan Inc. Going forward, as the Company gains greater understanding and cooperation with respect to its business from the Development Bank of Japan Inc. and other financial institutions, with which the company maintains close relationships, the Company intends to pursue various measures to further strengthen its financial position, achieve stable earnings growth, and enhance its competitive position within the real estate asset management industry.

**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 Group. 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 Group 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.