

January 10, 2013

To All Concerned Parties

REIT Issuer:
Japan Rental Housing Investments Inc.
6-16-12 Shinbashi
Minato-ku, Tokyo 105-0004
Toshiya Kuroda, Executive Director
(Securities Code: 8986)
Asset Manager: Mi-Casa Asset Management Inc.
Yutaka Higashino, President and Chief Executive Officer
Inquiries: Tetsu Kasuga, Chief Financial Officer
Tel: +81-3-5425-5600

Notice Concerning Interest-Rate Swap Agreement

Japan Rental Housing Investments Inc. (the “Investment Corporation”) announces that the Investment Corporation concluded an interest-rate swap agreement. Details are provided as follows.

I. Purpose of the Interest-Rate Swap Agreement

The Investment Corporation has decided to conclude an interest-rate swap agreement as a hedge against possible increase of the interest rates in future. This interest-rate swap agreement, the Investment Corporation concluded similar agreement on January 8 (please refer to the press release on January 8), is not for the specific borrowing, is for the amount of 5 billion yen out of the entire borrowing.

II. Summary of the Interest-Rate Swap Agreement

Counterparty:	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Notional Amount:	5 billion yen
Interest Rate:	Pay a fixed interest rate: 0.3400% Receive a floating interest rate: Base rate (JPY TIBOR for 1-month of JBA)
Commencement Date:	January 22, 2013
Termination Date:	January 22, 2018
Payment Date:	First interest payment on February 22, 2013, and at 22 nd of every month (on the next business date, if 22 nd is a non-business day)

Note: Based on this interest-rate swap agreement, basically, the base rate for the amount of 5 billion yen out of the entire borrowing is fixed at 0.3400%.

Note: The base rate shall be calculated based on JPY TIBOR for 1-month which Japanese Bankers Association (JBA) releases two business days prior to each payment date. JPY TIBOR appears on website of JBA (<http://www.zenginkyo.or.jp/en/tibor/>).

III. Forecast

The impact from this interest-rate swap agreement on the accounts for 14th fiscal period (the fiscal period ending in March 2013; from September 1, 2012 to March 31, 2013) is nominal. Thus, the forecast of the fiscal results on 14th fiscal period has not been changed.

*URL: <http://www.jrhi.co.jp/en/>