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February 12, 2009

To All Concerned Parties

REIT Issuer:
Japan Rental Housing Investments Inc.
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Notice Concerning Third-Party Allotment of Shares in the Asset Management Company

Japan Rental Housing Investments Inc. (the “Investment Corporation”) announces that Mi-Casa Asset Management Inc. (the “Asset Management Company”), the asset management company of the Investment Corporation, resolved today at the extraordinary shareholders’ meeting and thereafter at the meeting of the Board of Directors to increase capital by way of third-party allotment. Details are as follows.

1. Reasons for Capital Increase by way of Third-Party Allotment

The Asset Management Company had managed to achieve stable income by the asset management fees from the Investment Corporation each fiscal period since it was established in 2005. However, the Asset Management Company were unexpectedly forced to incur financial loss and paid for the expense associated with the bankruptcy of re-plus inc. (“Re-plus”), the former sponsor, and moreover paid for its proper expense associated with third party allotment to increase unitholders’ capital of the Investment Corporation in August 2008 and other related transactions. As a result, net asset amount of the Asset Management Company decreased to less than capital amount (¥300 million) as of December 31, 2008.

In such a situation, in order to improve its financial condition, the Asset Management Company decided to issue new shares by way of third party allotment of total payment amount ¥160 million to AppleRingo Holdings B.V. as an allottee, one of the Master Company Group and the second largest shareholder of the Asset Management Company. After the above third-party allotment, amount of capital stock of the Asset Management Company will be ¥380 million.

The above big loss and expense were mainly extraordinary expense by the bankruptcy of Re-plus or tentative one by way of third party allotment of the Investment Corporation. Therefore, the Asset Management Company foresees that it can return to post consistent profit from the next fiscal period same as before.

This press release includes forward-looking statements about the Investment Corporation. These forward-looking statements express the current intentions of the Investment Corporation, some of which are based on assumptions and beliefs of the Investment Corporation. Accordingly, they are subject to known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Investment Corporation's actual actions, results, performance or financial position to be materially different from any future actions, results, performance or financial position expressed or implied by these forward-looking statements.

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2. Summary of Third Party Allotment

① Outline of capital increase

- a Kind and Number of Shares: 3,200 shares of common stock
- b Allottee: AppleRingo Holdings B.V.
- c Payment Amount per Share: ¥50,000
- d Payment Date : February 13, 2009
- e Increase of Capital Stock and Capital Reserve: ¥80 million (capital stock) , ¥80 million (capital reserve)

② Date of Capital Increase

Date	Details
February 12, 2009	Extraordinary shareholders' meeting (resolution for capital increase) The board of directors' meeting (resolution for allottee of capital increase)
February 13, 2009	Payment Date

③ Structure of Shareholding (after capital increase)

Shareholder	Before capital increase		After capital increase	
	Number of shares held	Ratio (%) (Note)	Number of shares held	Ratio (%) (Note)
AppleRingo Investments B.V.	3,300	55.0%	3,300	35.8%
AppleRingo Holdings B.V.	2,100	35.0%	5,300	57.6%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	300	5.0%	300	3.2%
Sumitomo Mitsui Banking Corporation	300	5.0%	300	3.2%
total	6,000	—	9,200	—

(Note) Percentages are rounded down the second decimal place.

※For a summary of AppleRingo Holdings B.V., the allottee, please refer to the press release of the Investment Corporation on August 12, 2008, "Notice Concerning the Transfer of Shares in the Asset Management Company".

Pursuant to the provisions of the Financial Instruments and Exchange Law, the Asset Management Company will report the above change in its financial condition, amount of capital stock, and structure of shareholding to the Commissioner of the Financial Services Agency. In addition, pursuant to the provisions of the Building Lots and Buildings Transaction Business Law, the Asset Management Company will report the above change to the Minister of Land, Infrastructure and Transport as a change related to the discretionary transaction agent license.

- URL : <http://www.re-plus-ri.co.jp/>

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