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May 27, 2011

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)
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Notice Concerning Borrowing of Funds (Interest Rates)

Japan Rental Housing Investments Inc. (hereafter referred to as the “**Investment Corporation**”) hereby announces the interest rates applicable to its borrowing of funds. Details are provided below.

| Type | Lenders | Drawdown Date | Outstanding Balance of Borrowing (JPY Million) (Note3) | Due Date of Repayment | Applicable Period of Interest rate | Interest Rate (Annualized) |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------------------------------------------|-----------------------|------------------------------------|----------------------------|
| 17 th New Property Loan (Note 1) | Aozora Bank, Ltd. Sumitomo Mitsui Banking Corporation The Sumitomo Trust and Banking Co., Ltd. The Musashino Bank, Ltd. | June 30, 2010 | 10,658 | June 22, 2013 | From June 1, 2011 to June 30 2011 | 1.68000% |
| 18 th New Property Loan (Note 1) | Aozora Bank, Ltd. Sumitomo Mitsui Banking Corporation The Sumitomo Trust and Banking Co., Ltd. The Musashino Bank, Ltd. | June 30, 2010 | 10,658 | June 22, 2014 | From June 1, 2011 to June 30 2011 | 1.93000% |
| 19 th New Property Loan (Note 1) | Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. | July 2, 2010 | 3,404 | June 22, 2013 | From June 1, 2011 to June 30 2011 | 1.68000% |
| 20 th New Property Loan (Note 1) | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | July 2, 2010 | 1,459 | June 22, 2014 | From June 1, 2011 to June 30 2011 | 1.93000% |
| 21 st New Property Loan (Note 2) | ORIX Trust and Banking Corporation | September 15, 2010 | 398 | June 22, 2013 | From June 1, 2011 to June 30 2011 | 1.63000% |

(Note 1) Please refer to the press release “Notice Regarding Refinancing” announced by Prospect Reit Investment Corporation on June 18, 2010 and “Notice Concerning Completion of Asset Transfer and Prepayment of Loans” announced by the Investment Corporation on March 10, 2011.

(Note 2) Please refer to the press release “Notice Concerning Borrowings and Repayment of Loans” on September 13, 2010 and “Notice Concerning Completion of Asset Transfer and Prepayment of Loans” on March 10, 2011 announced by the Investment Corporation.

(Note 3) The outstanding balance is rounded down to the nearest JPY million.

- URL: <http://www.jrhi.co.jp/>