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March 27, 2012

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 Management Company:
 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 Completion of Disposition of Asset and Prepayment of Loans

Japan Rental Housing Investments Inc. (hereafter referred to as the “Investment Corporation”) had previously announced the scheduled disposition of eight assets under management in the notice dated March 2, 2012 (“Notice Concerning Transfer of Assets”). The Investment Corporation hereby announces that earlier today it initiated the disposition and related prepayment of loans for two of such assets (hereafter, the “Disposition”). With this, it has completed the disposition as well as the relevant prepayment of loans related to the disposition of all eight properties covered in the Notice Concerning Transfer of Assets dated March 2, 2012

I. Summary of Disposition of Asset

Property Name	Disposition Price (Note1)	Buyer
willDo Tojin-machi	JPY170,070 thousand	(Note2)
willDo Gofuku-machi	JPY208,300 thousand	

(Note1) Excludes sales expenses, fixed asset tax and city planning tax adjustments as well as consumption tax and local consumption tax.

(Note2) The buyers for the various properties are domestic business companies, but the details are undisclosed as per the request of the buyer.

(Note3) Amounts are rounded down to the indicated unit; hereinafter the same.

For details on the above the disposition of asset, etc. please refer to the press release “Notice Concerning Transfer of Asset” dated March 2, 2012.

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II. Prepayment of Loans

1. Date of prepayment: March 27, 2012
2. Total amount of prepaid loans: JPY227million
3. Summary of prepaid loans

(Unit: Million yen, except where otherwise indicated)

Lender		Outstanding Balance of Borrowing Before the Prepayment	Amount of Prepayment	Outstanding Balance of Borrowing After the Prepayment	Drawdown Date	Due Date of Repayment	Collateral	Most Recent Interest Rate (Planned Applicable Period of Interest Rate)
Term Loan	A3 (Note 1)	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Aozora Bank, Ltd.	2,509	-12	2,496	June 22, 2009	June 22, 2012	1.83643% (March 23, 2012 to June 22, 2012)
	A4 (Note 2)	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Aozora Bank, Ltd. Sumitomo Mitsui Banking Corporation Resona Bank, Ltd. The Norinchukin Bank The Sumitomo Trust and Banking Co., Ltd. The Musashino Bank, Ltd.	7,167	-36	7,130	June 22, 2010	June 22, 2013	1.68000% (March 23, 2012 to April 23, 2012)
	A5 (Note 3)	Sumitomo Mitsui Banking Corporation Resona Bank, Ltd. The Norinchukin Bank The Chuo Mitsui Trust and Banking Company, Limited Shinsei Bank, Limited Mitsubishi UFJ Trust Banking Corporation	2,102	-10	2,091	June 22, 2011	June 22, 2014	0.88000% (March 23, 2012 to April 23, 2012)
			4,277	-21	4,255		June 22, 2016	1.08000% (March 23, 2012 to April 23, 2012)
	C 3 (Note 2)	Sumitomo Mitsui Banking Corporation Mitsubishi UFJ Trust Banking Corporation	2,693	-46	2,647	June 22, 2010	June 22, 2013	1.68000% (March 23, 2012 to April 23, 2012)
	C 4 (Note 3)	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corporation	4,489	-77	4,411	June 22, 2011	June 22, 2016	1.08000% (March 23, 2012 to April 23, 2012)
Credit-Line Loan	A9 (Note 1)	The Norinchukin Bank	2,160	-5	2,154	June 22, 2009	June 22, 2012	1.83643% (March 23, 2012 to June 22, 2012)
	A11 (Note 2)	Shinsei Bank, Limited	961	-3	958	June 22, 2010	June 22, 2013	1.68000% (March 23, 2012 to April 23, 2012)
	C 4 (Note 1)	Aozora Bank, Ltd.	1,354	-12	1,342	June 22, 2009	June 22, 2012	1.83643% (March 23, 2012 to June 22, 2012)

(Note 1) Please refer to the press release "Notice Concerning Borrowings and Repayment of Loans including Partial Prepayment" dated June 18, 2009, "Notice Concerning Completion of Asset Transfer and Prepayment of Loans" dated March 11 2011, March 16, 2011, March 17, 2011 and March 22, 2011.

(Note 2) Please refer to the press release "Notice Concerning Borrowings and Repayment of Loans including Partial Prepayment" dated June 18, 2010, "Notice Concerning Completion of Asset Transfer and Prepayment of Loans" dated March 11, 2011, March 16, 2011, March 17, 2011 and March 22, 2011.

(Note3) Please refer to the press release "Notice Concerning Borrowing of Funds and Repayment of Loans" dated June 20, 2011.

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[For reference]

I. Change in portfolio asset composition during the 12th Fiscal Period (ending March 31, 2012) (trends in scale of assets and NOI yield)

(Scale of assets largely unchanged. Ratio of property holdings in the 23 core wards of Tokyo up by 0.8pp, NOI yield improved 0.05pp to 5.47% as a result of a focused strategy to dispose low-yield assets and acquire high-yield properties).

	September 30, 2011 (end of Eleventh Fiscal Period) Overall portfolio	Asset acquisition (2 properties) (Note1)	Asset disposition (8 properties) (Note1)	March 27, 2012 (Post acquisition and disposition) Overall portfolio
Scale of Assets (Note 2) (Percentage of holdings in 23 wards of Tokyo)	JPY 153.9 billion (50.4%)	+ JPY 2.4 billion	- JPY 2.5 billion	JPY 153.8 billion (51.2%)
Acquisition/disposition price ① (Note3)	—	JPY 2,456 million	JPY 1,928 million	—
Appraisal Value②	—	JPY 2,770 million	JPY 1,766 million	—
①/②	—	88.7%	109.2%	—
NOI Yield (Note4)	5.42%	7.10%	4.36%	5.47%

(Note1) The two acquired properties are Act Forme Asakusa and West Park Hasekura. The eight properties for disposition are Carrera 2.9, Sapporo Hills, willDo Minami 12 jo, Stars Uchiyama, Uchiyama-Minami Kokura-ekimae Building, Stream Line Ohori, willDo Tojin-machi, and willDo Gofuku-machi. For details regarding the acquisition and disposition of assets, please refer to the press release “Notice Concerning the Acquisition of Property” (dated February 15, 2012 and March 6, 2012) and “Notice Concerning Transfer of Assets” (March 2, 2012).

(Note2) Scale of Assets based on acquisition price.

(Note3) Excludes sales expenses, fixed asset tax and city planning tax adjustments as well as consumption tax and local consumption tax.

(Note4) NOI Yield is NOI/acquisition price. Figures for acquired two properties calculated using appraisal NOI, and those for prior to acquisition of properties were calculated using actual results of the 11th fiscal period. (For Stars Uchiyama, owing to one-time factors such as repairs during the 11th Fiscal Period, we have used the figures from the 10th Fiscal Period)

II. Outstanding loans

① Balance of loans before and after the Disposition (interest-bearing debt ratio)

(Unit: Million yen, except where otherwise indicated)

	Before	After	Change
Short-term borrowings (Note 1) (Note 4)	-	-	-
Long-term borrowings (Note 1) (Note 4)	74,570	74,342	-227
(Long-term borrowings due within one year) (Note 2) (Note 4)	12,813	12,782	-30
Total borrowings (Note 4)	74,570	74,342	-227
Investment corporation bonds (Note 4)	-	-	-
Total interest-bearing debt (Note 4)	74,570	74,342	-227
Interest-bearing debt ratio(Note 3) (Note 4)	46.6%	46.6%	-0.1%

(Note 1) The periods for short-term borrowings are within one year and long-term borrowings are over one year.

(Note 2) Long-term borrowing due within one year represents the borrowing due within one year from March 27, 2012.

(Note 3) Interest-bearing debt ratio = Total interest-bearing debt / (Total interest-bearing debt + Unitholders' capital + Investment surplus + Previous period's ending balance of Negative goodwill) × 100. The interest-bearing debt ratio is rounded off to the first decimal place.

(Note 4) Amounts are rounded down to the nearest million yen. Ratios are rounded off to one decimal place.

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② Trends in interest-bearing debt
(Largely no change in LTV based on book value, decline in LTV based on appraisal value)

	Balance as of September 30, 2011 (end of the 11 th Fiscal Period)	Borrowings made on March 22, 2012	Total prepayment of loans conducted between March 19 and March 27, 2012	Balance as of March 27, 2012 (following new borrowings and prepayment of loans)
Total interest-bearing debt	JPY 74,239 million	JPY 4,000 million	JPY 3,897 million	JPY 74,342 million
LTV based on book value (Note 2)	46.5%	-	-	46.6%
LTV based on appraisal value (Note 3)	53.3%	-	-	53.0%

(Note1) For details regarding borrowing of funds and prepayment of loans, refer to the Notice Concerning Borrowing of Funds and Prepayment of Loans (dated March 6, 2012) and Notice Concerning Completion of Disposition of Asset and Prepayment of Loans (March 19, March 21, and March 26, 2012)

(Note2) LTV based on book value: Interest-bearing debt ratio = Total interest-bearing debt / (Total interest-bearing debt + Unitholders' capital + Investment surplus + Previous period's ending balance of Negative goodwill) × 100.

(Note3) For calculating LTV based on appraisal value, we use term-end appraisal value for portfolio properties that were owned by the Investment Corporation as of the end of the 11th Fiscal Period. For properties acquired during the 12th Fiscal Period, we use the appraisal value at the time of acquisition.

③ Outstanding balance of borrowing by lender

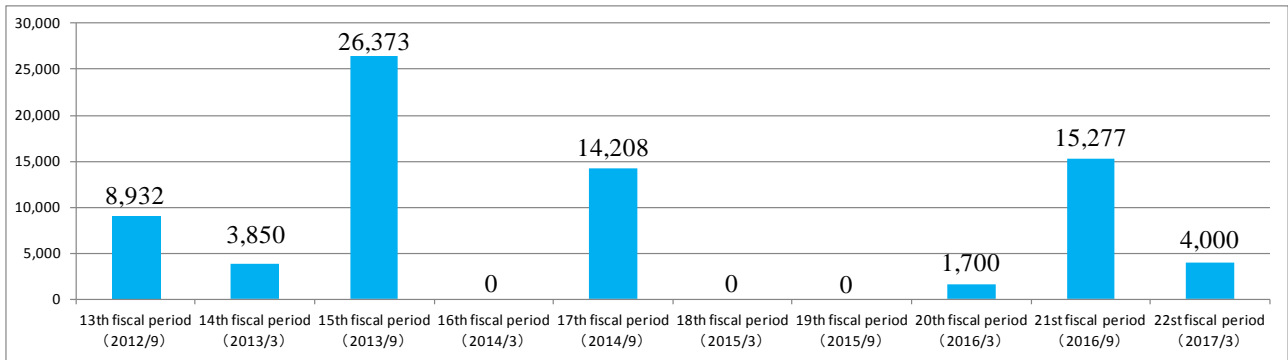
Lender	March 31, 2011 (end of Tenth Fiscal Period)		September 30, 2011 (end of Eleventh Fiscal Period)		Difference compared to the end of the 11 th Fiscal period	March 27, 2012 (following borrowings and loan prepayments conducted in the 12 th Fiscal period)	
	Outstanding balance (JPY million)	Share	Outstanding balance (JPY million)	Share		Outstanding balance (JPY million)	Share
The Bank of Tokyo-Mitsubishi UFJ, Ltd (agent)	13,748	19.6%	16,293	21.9%	1,720	18,013	24.2%
Aozora Bank, Ltd.	22,140	31.5%	18,532	25.0%	-137	18,394	24.7%
Sumitomo Mitsui Banking Corporation	10,960	15.6%	13,523	18.2%	-172	13,350	18.0%
Resona Bank, Limited	3,702	5.3%	5,541	7.5%	-168	5,372	7.2%
The Norinchukin Bank	4,307	6.1%	4,307	5.8%	-161	4,146	5.6%
Shinsei Bank, Limited	2,385	3.4%	2,489	3.4%	1,396	3,885	5.2%
The Chuo Mitsui Trust and Banking Co.,Ltd.	2,855	4.1%	2,855	3.8%	-82	2,772	3.7%
The Musashino Bank, Ltd	2,093	3.0%	2,093	2.8%	-61	2,032	2.7%
ORIX Bank Corporation	398	0.6%	1,898	2.6%	-21	1,877	2.5%
Mitsubishi UFJ Trust and Banking Corporation	1,840	2.6%	1,840	2.5%	-61	1,778	2.4%
The Sumitomo Trust and Banking Co.,Ltd.	2,407	3.4%	1,465	2.0%	-30	1,434	1.9%
Mitsui Sumitomo Insurance Co., Ltd.	818	1.2%	818	1.1%	-34	783	1.1%
The Bank of Fukuoka, Ltd.	0	0.0%	0	0.0%	500	500	0.7%
The Norinchukin Trust & Banking Co.,Ltd.	2,581	3.7%	2,581	3.5%	-2,581	0	0.0%
Total	70,241	100.0%	74,239	100.0%	102	74,342	100.0%

(Note 1) Amounts are rounded down to the nearest million yen. Percentage figures are rounded off to one decimal place.



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④ Borrowings by repayment date



(Unit: Million yen)

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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.