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October 28, 2011

To All Concerned Parties

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Notice of Borrowing of Funds (Interest Rate)

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

Term Loan B (note 1)

Type	Lenders	Drowdown Date	Outstanding Balance of Borrowing (JPY Million) (note 3)	Due Date of Repayment	Applicable Period of Interest rate	Interest Rate (Annualized) (%)
Term Loan 2	Resona Bank, Ltd. Mitsui Sumitomo Insurance Co., Limited	May 1, 2007	1,636	May 1, 2012	From November 2, 2011 to May 1, 2012	1.04071% (note 2)

(note 1) Please refer to the press release regarding “Notice Concerning Borrowing of Funds and Repayment of Borrowing” on April 25, 2007, “Notice Concerning Borrowings and Repayments of Existing Loans including Partial Prepayment” on June 18, 2009 and “Notice Concerning Completion of Asset Transfer and Prepayment of Loans” on March 16, 2011 and March 17, 2011 announced by the Investment Corporation.

(note 2) Regarding the above loans, the Investment Corporation concluded the Interest Rate Swap to swap the floating rate for the fixed rate. Accordingly, the interest rate of Term Loan 2 is 2.03275%.

(note 3) The outstanding balance is rounded down to JPY Million.

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