

February 13, 2015

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: Atsushi Chikamochi, Chief Financial Officer
Tel: +81-3-5425-5600

Notice Concerning Completion of Payment for First Investment Corporation Bond
of Japan Rental Housing Investments Inc. and Prepayment of Loans

Japan Rental Housing Investments Inc. (the “Investment Corporation”) hereby announces that payment was completed today for the issuance of the first investment corporation bond of Japan Rental Housing Investments Inc. as described in “Notice Concerning Issuance of Investment Corporation Bonds” dated February 6, 2015, and that it has resolved to prepay JPY 2 billion due on June 22, 2015 with the paid-in fund and cash on hand as detailed below.

1. Summary of the Prepayment

<Term Loan O (1st Term Loan)>

Lender	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Resona Ban, Limited
Amount of borrowings	JPY 2,000 million
Interest rate	1-month JBA Japanese Yen TIBOR +0.45%
Drawdown date	December 24, 2014
Due date	June 22, 2015
Planning prepayment date	February 18, 2015
Amount of repayment	JPY 2,000 million

(Note) Amounts are rounded down to the nearest million yen; hereinafter the same shall apply.

Please refer to the JBA website (<http://www.jbatibor.or.jp/english/rate/>) for JPY TIBOR details.

2. Status of Interest-Bearing Debt after the Issuance of Investment Corporation Bonds

(Unit: JPY million)

	Before the issuance of investment corporation bonds (as of February 6, 2015)	After the issuance of investment corporation bonds and the prepayment (Note 4) (as of February 18, 2015)	Difference
Short-term borrowings (Note 1)	2,000	–	(2,000)
Long-term borrowings (Note 1)	104,039	104,039	–
(Long-term borrowings due within one year) (Note 2)	11,352	11,352	–
Total borrowings	106,039	104,039	(2,000)
Investment corporation bonds	–	2,000	2,000
Total interest-bearing debt	106,039	106,039	–
Interest-bearing debt ratio (%) (Note 3)	51.7%	51.7%	–

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

(Note 2) "Long-term borrowings due within one year" refers to long-term debt that is due for repayment within one year from the date of the issuance of Investment Corporation Bonds.

(Note 3) Interest-bearing debt ratio after the issuance of Investment Corporation Bonds is calculated by dividing the balance of interest-bearing debt after the issuance of Investment Corporation Bonds by the amount arrived by adding the borrowed amount in the 18th Fiscal Period and the amount of the Investment Corporation Bonds to the total asset amount posted on the balance sheet as of the end of the 17th Fiscal Period, and then multiplying the amount by 100. Therefore, it is different from the total asset LTV (=interest-bearing debt/total asset).

(Note 4) Amounts indicated are the amounts after conducting the prepayment on February 18, 2015 with procured funds from issuing investment corporation bonds, etc.

(Note 5) Amounts are rounded down to the nearest million yen. Ratios are rounded off to one decimal place.

3. Forecasts

There is minimal impact from the prepayment on asset management conditions for the fiscal period ending March 31, 2015 (October 1, 2014 to March 31, 2015), and we have thus left our forecasts unchanged.

4. Other

As for risks pertaining to the repayment, etc. of the loans, there are no important changes to the "Investment risks" mentioned in the most recent semiannual securities report (submitted on December 15, 2014).

5. (Reference) Outstanding Balance of Borrowing by Lender after the Repayment

Lender	Before the repayment	Repayment (Difference)	After the repayment	
	Balance (JPY million)	Balance (JPY million)	Balance (JPY million)	Share (%)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	31,503	(1,500)	30,003	28.8%
Sumitomo Mitsui Banking Corporation	17,963	–	17,963	17.3%
Aozora Bank, Ltd.	15,642	–	15,642	15.0%
Resona Bank, Limited	10,062	(500)	9,562	9.2%
Shinsei Bank, Limited	8,995	–	8,995	8.6%
Mitsubishi UFJ Trust and Banking Corporation	4,964	–	4,964	4.8%
The Bank of Fukuoka, Ltd.	3,837	–	3,837	3.7%
ORIX Bank Corporation	3,647	–	3,647	3.5%
The Higashi-Nippon Bank, Limited	2,270	–	2,270	2.2%
The Norinchukin Bank	1,950	–	1,950	1.9%
Development Bank of Japan Inc.	1,000	–	1,000	1.0%
The Hyakugo Bank, Ltd.	1,000	–	1,000	1.0%
The Hiroshima Bank, Ltd.	1,000	–	1,000	1.0%
The Kagawa Bank, Ltd.	700	–	700	0.7%
The Ashikaga Bank, Ltd.	500	–	500	0.5%
The Senshu Ikeda Bank, Ltd.	500	–	500	0.5%
The Nomura Trust and Banking Co., Ltd.	500	–	500	0.5%
Total	106,039	(2,000)	104,039	100.0

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

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