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October 27, 2011

To All Concerned Parties

REIT Issuer:  
Japan Rental Housing Investments Inc.  
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Minato-ku, Tokyo 105-0004  
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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) (Note 3)	Due Date of Repayment	Applicable Period of Interest rate	Interest Rate (Annualized)
3 <sup>rd</sup> New Property Loan (Note 1)	The Norinchukin Trust and Banking Co.,Ltd.	June 28, 2007	2,581	July 31, 2012	From November 1, 2011 to January 31, 2012	1.28643%
17 <sup>th</sup> 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 November 1, 2011 to November 30, 2011	1.68000%
18 <sup>th</sup> 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		1.93000%
19 <sup>th</sup> New Property Loan (Note 1)	Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd.	July 2, 2010	3,404	June 22, 2013		1.68000%
20 <sup>th</sup> New Property Loan (Note 1)	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	July 2, 2010	1,459	June 22, 2014		1.93000%
21 <sup>st</sup> New Property Loan (Note 2)	ORIX Bank Corporation	September 15, 2010	398	June 22, 2013		1.63000%
Total			29,160			

(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” announced by the Investment Corporation on September 13, 2010 and “Notice Concerning Completion of Asset Transfer and Prepayment of Loans” announced by the Investment Corporation on March 10, 2011.

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