

December 11, 2015

To All Concerned Parties

REIT Issuer:  
Japan Rental Housing Investments Inc.  
6-16-12 Shinbashi, Minato-ku, Tokyo 105-0004  
Yutaka Higashino, Executive Director  
(Securities Code: 8986)  
Asset Manager: Mi-Casa Asset Management Inc.  
Yutaka Higashino, President and Chief Executive Officer  
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**Notice Concerning Change in Major Shareholder, Parent Company and Specified Associated Corporation at the Asset Manager**

Japan Rental Housing Investments Inc. (the “Investment Corporation”) hereby announces that there will be the owing changes in major shareholder, parent company and specified associated corporation as of December 18, 2015 at Mi-Casa Asset Management Inc. (the “Asset Manager”), the asset manager of the Investment Corporation.

1. Background to the Change and Future Management Policy

The Asset Manager was notified of an agreement concluded today regarding the transfer of all shares of the Asset Manager, or a total of 21,114 shares (approximately 68.1% of the shares issued and outstanding), held by AppleRingo Ventures 1 Limited (“ARV”) and AppleRingo Investments B.V. (“ARI”) (ARV and ARI hereinafter collectively referred to as the “Large Shareholders”), to Daiwa Securities Group Inc. (“Daiwa Securities Group Inc.”) (hereinafter the “Transfer of Shares”), and approved the Transfer of Shares at its meeting of the Board of Directors held today. Accordingly, as of the execution date of the Transfer of Shares (scheduled on December 18, 2015), ARV will no longer fall under the category of a major shareholder, parent company or specified associated corporation and ARI will no longer be a major shareholder of the Asset Manager. Furthermore, Daiwa Securities Group Inc. will become, as of the same date, a major shareholder, parent company and specified associated corporation holding approximately 98.1% of the shares issued and outstanding of the Asset Manager. In addition, no changes are scheduled in the current full time management team of the Asset Manager or in the investment/management policies, etc. of the Investment Corporation after the Transfer of Shares.

The Asset Manager has newly concluded a sponsor support agreement with Daiwa Securities Group Inc. today as described in 6. (6) below. Based on the agreement, after the execution of the Transfer of Shares which effectuates the agreement, the Asset Manager expects to receive from Daiwa Securities Group Inc. support, such as provision of various information, support in forming bridge funds, etc. and cooperation in securing personnel at the Asset Manager, for realizing sustainable and stable growth of the Investment Corporation. Moreover, the Investment Corporation believes that it can expect various support to maintain/expand the stable fund procurement structure, including procurement of funds from capital markets and maintenance/development of favorable relationships with existing or new financial institutions through utilizing functions and networks of the Daiwa Securities Group as a general securities group. For further information on the support, etc. by Daiwa Securities Group Inc., please refer to “Notice Regarding Further Expansion of Real Estate Asset Management Business - Making Mi-Casa Asset Management Inc. a Subsidiary -” dated today announced by the company

Daiwa Real Estate Asset Management Co., Ltd. (“Daiwa Real”), a company affiliated with Daiwa Securities Group Inc., currently manages of three REITs. Among them is Daiwa Residential Private Investment Corporation, a non-listed REIT specializing in residential properties of which investment target competes with that of the Investment Corporation. However, since the Asset Manager and Daiwa Real will be operating independently, REITs which are managed by the Asset Manager and Daiwa Real will continue to be operated under separate and individual investment and management. The Asset Manager will, even after the Transfer of Shares, thoroughly abide with confidentiality and strive for the benefit of stakeholders of the Investment Corporation as before.

2. Overview of Major Shareholder, Parent Company and Specified Associated Corporation after the Change

Name	Daiwa Securities Group Inc.
Location	1-9-1 Marunouchi, Chiyoda-ku, Tokyo
Name and title of representative	Takashi Hibino, President and CEO
Main businesses	Holds, manages and controls shares of companies engaged in such businesses as the financial instruments and exchange business

Paid-in capital	JPY 247.3 billion (as of end of September 2015)	
Date of establishment	December 27, 1943	
Consolidated net assets	JPY 1,346.3 billion (as of end of September 2015)	
Consolidated total assets	JPY 23,183.7 billion (as of end of September 2015)	
Major shareholders and shareholding ratios (as of end of September 2015)	<p>STATE STREET BANK AND TRUST COMPANY 505223 (Standing proxy: Mizuho Bank, Ltd.) (9.59%)  The Master Trust Bank of Japan, Ltd. (Trust account) (3.51%)  Japan Trustee Services Bank, Ltd. (Trust account) (3.19%)  Sumitomo Mitsui Banking Corporation (1.73%)  THE BANK OF NEW YORK MELLON SA/NV 10 (Standing proxy: The Bank of Tokyo-Mitsubishi UFJ, Ltd.) (1.68%)  STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd.) (1.56%)  Japan Trustee Services Bank, Ltd. • Sumitomo Mitsui Trust &amp; Banking Retirement Benefit Account (1.42%)  STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd.) (1.37%)  NORTHERN TRUST CO. (AVFC) SUB A/C NON TREATY (Standing proxy: Tokyo branch of the Hongkong and Shanghai Banking Corporation Limited) (1.24%)  Taiyo Life Insurance Company (1.20%)</p> <p>(Note) Treasury stock (ratio of shares held to the total number of shares issued and outstanding is 1.76%) is excluded.</p>	
Relationships between the shareholder and the Investment Corporation or the asset management company	Capital relationship	As of today, the company holds 30.0% of the Asset Manager's shares and 3.35% of the Investment Corporation's investment units.
	Personnel relationship	As of today, the employees of the company concurrently serve as director (1 person) and auditor (1 person) at the Asset Manager.
	Business relationship	As of today, there is no business relationship to be specified between the Asset Manager and the company.

### 3. Overview of Companies that Will Not Fall Under the Category of Major Shareholder, Parent Company and Specified Associated Corporation

#### (1) ARV (company that will not fall under the category of major shareholder, parent company and specified associated corporation)

Name	AppleRingo Ventures 1 Limited	
Location	Ground Floor, 27 Merrion Square, Dublin 2, Ireland	
Names and titles of representatives	Director: Noonan, Anthony Director: Myrtetus, Joseph William Director: Egan, Lorraine Director: Flood, Anne	
Paid-in capital	€1,000.00	
Date of establishment	November 8, 2012	
Major shareholder and shareholding ratio	OCM Netherlands Opportunities Coöperatief U.A. (Netherlands) 100%	
Main businesses	Holds shares and finances affiliated companies	
Relationships between the shareholder and the Investment Corporation or the asset management company	Capital relationship	As of today, the company holds 57.4% of the Asset Manager's shares and 5.43% of the Investment Corporation's investment units.
	Personnel relationship	As of today, there is no personnel relationship between the Asset Manager/the Investment Corporation and the company. In addition, as of today, executives and employees of an affiliated company of an advisory company of the company serve as executive officer (1 person) of the Investment Corporation and officers (2 persons) of the Asset Manager.
	Business relationship	As of today, there is no business relationship to be specified between the Asset Manager and the company.

(2) ARI (company that will not fall under the category of major shareholder)

Name	AppleRingo Investments B.V.	
Location	Barbara Strozilaan 201, 1083HN Amsterdam, the Netherlands	
Names and titles of representatives	Director: Myrtetus, Joseph William Director: Broekhuis, Johan Antoon Director: Kuiters, Linda	
Paid-in capital	€18,000	
Date of establishment	July 17, 2008	
Major shareholder and shareholding ratio	OCM Netherlands Opportunities Coöperatief U.A. (Netherlands) 100%	
Main business	Holds shares and finances affiliated companies	
Relationships between the shareholder and the Investment Corporation or the asset management company	Capital relationship	As of today, the company holds 10.6% of the Asset Manager's shares.
	Personnel relationship	As of today, there is no personnel relationship between the Asset Manager/the Investment Corporation and the company. In addition, as of today, executives and employees of an affiliated company of an advisory company of the company serve as executive officer (1 person) of the Investment Corporation and officers (2 persons) of the Asset Manager.
	Business relationship	As of today, there is no business relationship to be specified between the Asset Manager and the company.

4. Scheduled Date of Change

December 18, 2015

5. Number of Shares (Voting Rights) Held by the Asset Manager and Percentage of Voting Rights Outstanding

(1) Daiwa Securities Group Inc.

	Attribute	Number of voting rights (Ratio of voting rights held)	Percentage of voting rights outstanding	Shareholder ranking
Before change	Major shareholder	9,305 (9,305 shares)	30.0%	2nd
After change	Major shareholder/parent company/specified associated corporation	30,419 (30,419 shares)	98.1%	1st

(2) ARV

	Attribute	Number of voting rights (Ratio of voting rights held)	Percentage of voting rights outstanding	Shareholder ranking
Before change	Major shareholder/parent company/specified associated corporation	17,814 (17,814 shares)	57.4%	1st
After change	Not applicable	0 (0 shares)	0.0%	Not applicable

(3) ARI

	Attribute	Number of voting rights (Ratio of voting rights held)	Percentage of voting rights outstanding	Shareholder ranking
Before change	Major shareholder	3,300 (3,300 shares)	10.6%	3rd
After change	Not applicable	0 (0 shares)	0%	Not applicable

\*Number of non-voting rights shares deducted from the total number of shares issued:  
Total number of shares issued as of December 11, 2015:

0 shares  
31,019 shares

(Reference) Composition of Shareholders of the Asset Manager Before and After the Change of Shareholders

Shareholder	Before change		After change	
	Number of shares held (shares)	Ratio (%) (Note)	Number of shares held (shares)	Ratio (%) (Note)
ARV	17,814	57.4	-	-
ARI	3,300	10.6	-	-
Daiwa Securities Group Inc.	9,305	30.0	30,419	98.1
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	300	1.0	300	1.0
Sumitomo Mitsui Banking Corporation	300	1.0	300	1.0
Total	31,019	100.0	31,019	100.0

(Note) Ratio is the number of shares held expressed as a percentage of the total number of shares issued and outstanding, rounded off to one decimal place.

6. Forecasts

(1) Amendment to Asset Management Agreement with Investment Corporation

No change is scheduled.

(2) Amendment to the Organization of the Asset Management Company

As described in “Notice Concerning Change in Directors and Auditor at the Asset Manager” dated today, change in directors and auditor is scheduled as of December 18, 2015 subject to resolution at the shareholders’ meeting of the Asset Manager and execution of the Transfer of Shares. For details of the change, please refer to the press release.

(3) Amendment to Formation of Investment Decision-making

No change is scheduled.

(4) Amendment to Rules on Compliance/Interested Parties, etc.

No change is scheduled.

(5) Amendment to Investment Policy

No change is scheduled. No change is scheduled in the Articles of Incorporation of the Investment Corporation and in the Asset Management Guidelines set forth by the Asset Manager.

(6) Amendment to Agreements entered into with Sponsors, etc.

The Asset Manager has newly concluded a sponsor support agreement with Daiwa Securities Group Inc. today. The agreement is to be effectuated subject to the execution of the Transfer of Shares.

Under the agreement, Daiwa Securities Group Inc. is to provide cooperation in securing personnel at the Asset Manager, support in forming bridge funds, etc. for the Investment Corporation while providing information, as needed, on properties, etc. as well as other information related to operation of an asset management company which are judged by Daiwa Securities Group Inc. to be useful for the Asset Manager or the Investment Corporation, in order to pursue sustainable and stable growth of the Investment Corporation while aiming for further growth and development of the Asset Manager. The Investment Corporation and the Asset Manager will strive for further growth of the Investment Corporation by utilizing the company’s information network and know-how in financial/capital markets.

(7) Expectations of Continuance of Listing of Investment Corporation

The Investment Corporation plans to continue to be listed.

(8) Others

There are no changes in business names, organizational structures, management policies, etc. of the Investment Corporation and the Asset Manager due to the scheduled Transfer of Shares. In addition, there is no plan for the merger of the Asset Manager with a group company of Daiwa Securities Group Inc. The Investment Corporation will promptly announce further information if there are any items that should be disclosed concerning the business operations of the Investment Corporation and the Asset Manager.

## 7. Schedule

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| December 11, 2015 | Signing of agreement on the Transfer of Shares between the Large Shareholders and Daiwa Securities Group Inc.<br>Approval and resolution for the Transfer of Shares at meeting of the Board of Directors of the Asset Manager<br>Signing of agreement on the sponsor support agreement between the Asset Manager and Daiwa Securities Group Inc. |
| December 18, 2015 | Execution of the Transfer of Shares<br>Change of directors and auditor at the Asset Manager<br>Effectuation of the sponsor support agreement   |

In compliance with the Financial Instruments and Exchange Law, Building Lots and Buildings Transaction Business Law and other applicable laws, ordinances and regulations, the required filing and other procedures will be performed in relation to this matter.

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