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April 2, 2012

To All Concerned Parties

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Notice Concerning Change of Property Management Companies

Japan Rental Housing Investments Inc. (hereinafter referred to as the “Investment Corporation”) hereby announces that it has decided to make a change (hereinafter the “Change”) in its property management (hereinafter “PM”) companies.

1. Overview of the change

Property number	Property name	PM Companies before change	PM Company after change	Date of Change
O-2-094	Living Stage Higashi-Sendai	TOKYU COMMUNITY CORP.	DAIKYO REALDO INCORPORATED	April 1 2012
F-2-042	Living Stage Minami-Sendai			
F-2-043	Takasagoseki Nibankan			
O-2-054	willDo Kamisugi 3chome	One-Eyed Capital Advisors, Inc.		
O-2-065	Grand Mason Shichifuku			
F-2-001	Royal Garden Shinrin Koen			
F-2-002	Green Park Komatsujima			
F-2-003	Dia Palace Izumizaki			
F-2-004	willDo Takasago			

Note)The PM Company after the change is not classified as interested party, etc. under the Order for Enforcement of the Law Concerning Investment Trusts and Investment Corporations, nor is it defined as interested party, etc. under the internal rule on dealings with interested parties of the Asset Management Company to whom the Investment Corporation entrusts its asset management.

2. Reasons for the change

Since its merger with Prospect Reit Investment Corporation (hereinafter “PRI”) in July 2010, the Investment Corporation has been undertaking measures aimed at restructuring the PM Companies framework in order to achieve greater business efficiencies and cuts PM fees (for the background, reasons, etc. of the restructuring of the PM Companies framework, please refer to the press release “Notice Concerning Change of Property Management Company and Master Lease Company” dated May 31, 2011 and September 30, 2011). With

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regards to the nine portfolio properties located in Sendai City, the Investment Corporation has now decided to implement the Change as a part of its aforementioned initiative to consolidate PM Companies.

As part of its PM Companies selection process, the Investment Corporation invited proposals from a number of companies by leveraging the advantage of being an independent entity that is not tied to a particular group. The final selection is based on a comprehensive and comparative evaluation that takes into account various aspects such as specific details, business management policy, and PM fee levels as outlined in the proposal.

As a result of the change, the number of PM service providers will have been decreased from 19 at the time of merger with PRI to 10 as of April 1, 2012.

3. Outlook for the current Fiscal Period

The change is not expected to have an impact on the management performance of the Twelfth Fiscal Period (October 1, 2011 to March 31, 2012).

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

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.