

May 8, 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: Shuji Nakamura, Chief Financial Officer
Tel: +81-3-5425-5600

Notice Concerning Issuance of New Investment Units and Secondary Offering

Japan Rental Housing Investments Inc. (referred to as the “Investment Corporation”) hereby announces that the Investment Corporation has resolved the issuance of new investment units and secondary distribution of investment units at its board of directors’ meeting (referred to as the “Board of Directors”) held today. Details are provided below.

1. Issuance of New Investment Units (domestic public offering and overseas offering by underwriters)
 - (1) Total number of Investment Units to be offered : 165,000 investment units
(investment units of the Investment Corporation are hereinafter referred to as “Investment Units”)
 - (2) Amount to be paid in (issue value) : To be determined
The amount to be paid in (issue value) shall be determined at a Board of Directors to be held on a date between May 20, 2015 (Wednesday) and May 25, 2015 (Monday) (the “Pricing Date”). The amount to be paid in (issue value) refers to an amount the Investment Corporation shall receive from the Underwriters as defined in (5) (ii) below.
 - (3) Total amount to be paid in (total issue value) : To be determined
 - (4) Issue price (offering price) : To be determined
The issue price (offering price) shall be determined at the Board of Directors to be held on the Pricing Date based on the method provided in Article 25 of the regulations in regard to the underwriting etc. of securities as provided by the Japan Securities Dealers Association, taking into consideration the level of demand and other factors, using as a tentative price a figure obtained by multiplying a number between 0.90 to 1.00 by the closing price of the Investment Units for ordinary trading at the Tokyo Stock Exchange, Inc. (“Tokyo Stock Exchange”) on the Pricing Date (in the event of no closing price on such date being available, the closing price on the immediately preceding date) (any fraction of one yen shall be rounded down to the nearest yen).
 - (5) Offering method : The Investment Units shall be offered simultaneously in Japan and overseas (certain of the domestic underwriters (collectively referred to as the “Domestic Underwriters”) and one of the international underwriters (collectively referred to as the “International Underwriters” and together with the Domestic Underwriters, the “Underwriters”) shall serve as joint global coordinators for the Offerings, as defined below in (5)(ii), the offering by the Domestic Underwriters indicated in “2. Secondary Offering of Investment Units in Japan” below, the offering by the International Underwriters indicated in “3. Secondary Offering of Investment Units outside Japan” below, and the over-allotment sales indicated in “4. Secondary Offering of Investment Units

Note (1): This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

Note (2): This English language notice is a translation of the Japanese-language notice released on May 8, 2015 and was prepared solely for the convenience of and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

(Over-allotment Secondary Offering)” below (collectively referred to as the “Global Offering”).

(i) Domestic public offering

Investment Units shall be offered through a public offering in Japan (the “Domestic Public Offering”) and all Investment Units shall be underwritten and purchased by certain Domestic Underwriters.

(ii) Overseas offering

Investment Units shall be offered in overseas markets, consisting mainly of the U.S. and European markets (provided, however, that offering in the U.S. market shall be restricted to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act of 1933) (referred to as the “International Offering” and, collectively with the Domestic Public Offering, the “Offerings”). Certain International Underwriters shall conduct the International Offering through the individual underwriting and purchase of all Investment Units.

(iii) The total number of Investment Units to be issued in the Offerings concerned shall be 165,000 units, consisting of 115,500 units for the Domestic Public Offering and 49,500 units for the International Offering, the ultimate details of which shall be determined at the Board of Directors to be held on the Pricing Date, taking into consideration the level of demand and other factors.

- (6) Underwriting agreement : The Underwriters shall, on the payment date stated in (9) below, pay the Investment Corporation the total amount to be paid in (total issue value), and any difference between the total amount of the issue price (offering price) and the total amount to be paid in (issue value), arising in the Offerings shall be retained by the Underwriters. No underwriting fee shall be paid by the Investment Corporation to the Underwriters.
- (7) Offering unit : One unit or more in multiples of one unit
- (8) Offering period : From the business day immediately following the Pricing Date to two business days following the Pricing Date.
- (9) Payment date : A date between May 27, 2015 (Wednesday) and June 1, 2015 (Monday), which shall be five business days after the Pricing Date.
- (10) Delivery date : The business day following the Payment Date indicated in (9) above.
- (11) The issue price (offering price), the amount to be paid in (issue value) and the ultimate breakdown of the number of Investment Units for the Domestic Public Offering and for the International Offering and any other matter required for the issuance of the new Investment Units shall be determined at a future Board of Directors.
- (12) In the event the Secondary Offering of Investment Units in Japan or the Secondary Offering of Investment Units outside Japan are suspended, the Offerings shall also be suspended.
- (13) Among the items mentioned above, matters related to the Domestic Public Offering shall be subject to the securities registration under the Financial Instruments and Exchange Act to become effective.

2. Secondary Offering of Investment Units in Japan

- (1) Seller : A Domestic Underwriter
- (2) Number of Investment units to be offered : 231,000 units
- (3) Offering price : To be determined
The offering price shall be determined at the Board of Directors to be held on the Pricing Date based on the method provided in Article 25 of the regulations in regard to the underwriting etc. of securities as provided by the Japan Securities Dealers Association, taking into consideration the level of demand and other factors, using as a tentative price a figure obtained by multiplying a number between 0.90 to 1.00 by the closing price of the Investment Units of the Investment Corporation for ordinary trading at the Tokyo Stock Exchange, Inc. on the Pricing Date (in the event of no closing price on such date

Note (1): This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

Note (2): This English language notice is a translation of the Japanese-language notice released on May 8, 2015 and was prepared solely for the convenience of and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

being available, the closing price on the immediately preceding date) (any fraction of one yen shall be rounded down to the nearest yen). The offering price shall be identical with the issue price (offering price) for the Domestic Public Offering indicated in 1. (4) above.

- (4) Total offering price : To be determined
- (5) Offering method : All Investment Units shall be offered and purchased via a Secondary Offering by the Domestic Underwriters, who shall pay the product of the amount to be paid in and the number of units purchased to the Seller by the delivery date, and any difference between the total amount of offering price and the total amount to be paid in (total issue value), shall be retained by the Domestic Underwriters. No underwriting fee shall be paid by the Seller to the Domestic Underwriters. The amount to be paid in shall be identical to the amount to be paid-in (issue value) indicated in 1. (2) above.
- (6) Offering unit : One unit or more in multiples of one unit.
- (7) Offering period : The same period as the offering period for the Domestic Public Offering indicated in 1. (8) above.
- (8) Delivery date : The same date as the delivery date for the Domestic Public Offering indicated in 1. (10) above.
- (9) The offering price and other matters necessary for the Secondary Offering shall be determined at a future Board of Directors.
- (10) The Seller will purchase from AppleRingo Ventures 1 Limited, and the Seller has agreed to offer and sell 231,000 Investment Units via a Secondary Offering by the Domestic Underwriters. In the event the Seller does not purchase the above Investment Units from AppleRingo Ventures 1 Limited, the Secondary Offering of Investment Units in Japan shall be suspended. Also, in the event the Secondary Offering of Investment Units in Japan is suspended, the Seller will not purchase the above Investment Units from AppleRingo Ventures 1 Limited.
- (11) In the event the Offerings or the Secondary Offering of Investment Units outside of Japan are suspended, the Secondary Offering of Investment Units in Japan shall also be suspended.
- (12) The items mentioned above shall be subject to the securities registration under the Financial Instruments and Exchange Act to become effective.

3. Secondary Offering of Investment Units outside Japan

- (1) Seller : AppleRingo Ventures 1 Limited
- (2) Number of Investment Units to be offered : 99,000 units
- (3) Offering price : To be determined
(The offering price shall be determined at the Board of Directors to be held on the Pricing Date, and shall be identical to the issue price (offering price) for the Domestic Public Offering indicated in 1. (4) above.
- (4) Total offering price : To be determined
- (5) Offering method : Investment Units shall be offered in overseas markets, consisting mainly of the U.S. and European markets (provided, however, that offering in the U.S. market shall be restricted to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act of 1933), and all Investment Units shall be underwritten and individually purchased.
- (6) The offering price and other matters necessary for the Secondary Offering shall be determined at a future Board of Directors.
- (7) In the event the Offerings or the Secondary Offering of Investment Units in Japan are suspended, the secondary Offering of Investment Units outside of Japan shall also be suspended.

Note (1): This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

Note (2): This English language notice is a translation of the Japanese-language notice released on May 8, 2015 and was prepared solely for the convenience of and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

4. Secondary Offering of Investment Units (Over-allotment Secondary Offering)

- (1) Seller : A Domestic Underwriter
- (2) Number of Investment Units to be offered : 37,000 units
The above number represents the maximum number of Investment Units to be offered through an over-allotment Secondary Offering that will be conducted by a Domestic Underwriter (referred to as the “Over-allotment Secondary Offering”). The number may decrease or the Over-allotment Secondary Offering itself may not take place at all due to conditions of demand and other factors in the Domestic Public Offering and Secondary Offering of Investment Units in Japan. The number of units to be offered will be determined at the Board of Directors to be held on the Pricing Date, taking into consideration of condition of demand and other factors in the Domestic Public Offering and Secondary Offering of Investment Units in Japan.
- (3) Offering price : To be determined
The offering price shall be determined at the Board of Directors to be held on the Pricing Date. The offering price shall be identical to the issue price (offering price) for the Domestic Public Offering indicated in 1. (4) above.
- (4) Total offering price : To be determined
- (5) Offering method : Apart from the Domestic Public Offering and Secondary Offering of Investment Units in Japan, a Domestic Underwriter shall offer Investment Units via a domestic Secondary Offering up to a maximum of 37,000 units to be borrowed from AppleRingo Ventures 1 Limited, a holder of Investment Units (such borrowed Investment Units shall be referred to as “the Borrowed Investment Units”), taking into consideration the level of demand and other factors in the Domestic Public Offering and Secondary Offering of Investment Units in Japan.
- (6) Offering unit : One unit or more in multiples of one unit.
- (7) Offering period : The same period as the offering period for the Domestic Public Offering indicated in 1. (8) above.
- (8) Delivery date : The same date as the delivery date for the Domestic Public Offering indicated in 1. (10) above.
- (9) The offering price and other matters necessary for the Secondary Offering shall be determined at a future Board of Directors.
- (10) In the event the Offerings, the Secondary Offering of Investment Units in Japan or the Secondary Offering of Investment Units outside Japan are suspended, the Over-allotment Secondary Offering shall also be suspended.
- (11) The items mentioned above shall be subject to the securities registration under the Financial Instruments and Exchange Act to become effective.

Note (1): This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

Note (2): This English language notice is a translation of the Japanese-language notice released on May 8, 2015 and was prepared solely for the convenience of and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

<Reference>

1. Over-allotment Secondary Offering and related matters

Taking into consideration the level of demand and other factors in the Domestic Public Offering and the Secondary Offering of Investment Units in Japan, one of the Domestic Underwriters (referred to as the “Selling Domestic Underwriter”) may conduct a secondary domestic offering (Over-allotment Secondary Offering) separate from the Domestic Public Offering and the Secondary Offering of Investment Units in Japan. The number of Investment Units to be offered represents the maximum number to be offered and may be reduced, and the Over-allotment Secondary Offering itself may not take place at all depending on the level of demand and other factors.

In connection with the Over-allotment Secondary Offering, in order to return the Borrowed Investment Units, AppleRingo Ventures 1 Limited., a holder of Investment Units, grants the option to additionally acquire, at the amount to be paid in (issue value) for the Domestic Public Offering, Investment Units up to the number of Investment Units for the Over-allotment Secondary Offering (the “Greenshoe Option”) to the Selling Domestic Underwriter, who may exercise the Greenshoe Option until June 19 (Friday), 2015.

The Selling Domestic Underwriter may also purchase the Investment Units on the Tokyo Stock Exchange up to the maximum number of Investment Units for the Over-allotment Secondary Offering in order to obtain the Investment Units necessary to return the Borrowed Investment Units (referred to as the “Syndicate Cover Transactions”). Such Syndicate Cover Transactions would be made during the period between the date immediately following the last day of the offering period of the Domestic Public Offering, the Secondary Offering of Investment Units in Japan and the Over-allotment Secondary Offering and June 19 (Friday), 2015 (referred to as the “Syndicate Cover Transaction Period”). All of the Investment Units purchased through the Syndicate Cover Transactions shall be used to return the Borrowed Investment Units. During the Syndicate Cover Transaction Period, the Selling Domestic Underwriter may not conduct any Syndicate Cover Transactions or may terminate any Syndicate Cover Transactions before the number of Investment Units purchased reaches the maximum number of Investment Units for the Over-allotment Secondary Offering.

In addition, the Selling Domestic Underwriter may engage in stabilizing transactions in connection with the Domestic Public Offering, the Secondary Offering of Investment Units in Japan and the Over-allotment Secondary Offering, and may use all or part of the Investment Units purchased through such stabilizing transactions to return the Borrowed Investment Units.

As for the number of Investment Units to be determined by subtracting the number of Investment Units acquired through the Syndicate Cover Transactions and stabilizing transactions, to be used for returning the Borrowed Investment Units, from the number of Investment Units offered in the Over-allotment Secondary Offering, the Selling Domestic Underwriter intends to exercise the Greenshoe Option to acquire such number of Investment Units.

Whether the Over-allotment Secondary Offering takes place or not, or the number of the Investment Units to be offered and sold through the Over-allotment Secondary Offering will be determined on the Pricing Date. If the Over-allotment Secondary Offering does not take place, the Selling Domestic Underwriter will not borrow the Investment Units from the unitholder indicated above, such unitholder will not provide the Selling Domestic Underwriter with the Greenshoe Option and the Syndicate Cover Transactions will not take place on the Tokyo Stock Exchange.

The foregoing transactions will be conducted upon by the Selling Domestic Underwriter consultation with the other Underwriters.

2. Change of total number of issued and outstanding Investments Units after new issuance

Current number of Investment Units outstanding	1,475,060 units
Increase in the number of Investment Units outstanding due to the issuance of new Investment Units through the Offerings	165,000 units
Total number of Investment Units outstanding after the issuance of new Investment Units through the Offerings	1,640,060 units

3. Objective and rationale for the issuance and Secondary Offering

After considering conditions of real estate and capital markets, the level of distribution per unit and other factors, the Investment Corporation resolved to issue the new Investment Units in order to acquire additional new properties that contributed to increase its asset size and improve portfolio quality, increase financial stability. The Offerings also

Note (1): This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

Note (2): This English language notice is a translation of the Japanese-language notice released on May 8, 2015 and was prepared solely for the convenience of and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

make the Investment Corporation possible to line up future acquisition capacity of new specified assets (as set forth in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations, hereinafter the same) (Note) and to continuously acquire specified assets flexibly with the aim to strengthen the Investment Corporation's financial base. Also, we believe that the Secondary Offering of the Investment Units to be concurrently conducted by the largest unitholder will increase the liquidity of our Investment Units.

(Note) For details on the specified assets, please refer to the release, "Notice Concerning Acquisition of Assets" dated today.

4. Amount of funds to be procured, use of proceeds and payment schedule

- (1) Amount of funds to be procured (estimated net proceeds)
13,520,000,000 yen

(Note) The above amounts are estimates calculated based on the closing price of the Investment Units for ordinary trading at the Tokyo Stock Exchange as of April 17, 2015 (Friday).

- (2) Specific use of proceeds and scheduled timing of expenditure

The Investment Corporation will use the proceeds from the Domestic Public Offering (9,464,000,000 yen) and the proceeds from the International Offering approved at the Board of Directors held on the same day (4,056,000,000 yen) to partially fund its acquisition (as well as acquisition-related expenses) of new specified assets stated in the press release "Notice Concerning Acquisition of Assets" dated today.

(Note) The above amounts are estimates calculated based on the closing price of the Investment Units for ordinary trading at the Tokyo Stock Exchange as of April 17, 2015 (Friday).

5. Designation of allottee
Not applicable.

6. Other (restrictions on sale, additional issuance, etc.)

- (1) AppleRingo Ventures 1 Limited holds 456,052 Investment Units as of today. In connection with the Global Offering, AppleRingo Ventures 1 Limited agrees not to sell the Investment Units which it holds during the period from the Pricing Date of the Domestic Public Offering and the Secondary Offering of Investment Units in Japan to a date 90 days after the delivery date (except for the sale of Investment Units to a Domestic Underwriter described in 2 (10) above, the Secondary Offering of Investment Units outside Japan, the Over-allotment Secondary Offering and the sale of Investment Units due to exercise of the Greenshoe Option granted to the Selling Domestic Underwriter), without the prior written consent of the joint global coordinators.
- (2) Mi-Casa Asset Management Inc., the asset manager of the Investment Corporation (referred to as the "Asset Manager"), holds 606 Investment Units as of today. In connection with the Global Offering, the Asset Manager agrees not to sell the Investment Units which it holds during the period from the Pricing Date of the Domestic Public Offering and the Secondary Offering of Investment Units in Japan to a date 90 days after the delivery date, without the prior written consent of the joint global coordinators.
- (3) In connection with the Global Offering, the Investment Corporation agrees not to issue additional Investment Units for during the period from the Pricing Date of the Domestic Public Offering and the Secondary Offering of Investment Units in Japan to a date 90 days after the delivery date (except for the issuance of Investment Units through the Offerings and investment unit split), without the prior written consent of the joint global coordinators.
- (4) For (1) through (3) above, the joint global coordinators retain the right to terminate all or part of the above agreements or to shorten the restriction period concerned.

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

Note (1): This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

Note (2): This English language notice is a translation of the Japanese-language notice released on May 8, 2015 and was prepared solely for the convenience of and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.