Japan Rental Housing Investments Inc.

English Translation
The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

March 7, 2013

To All Concerned Parties

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Notice Concerning Completion of Disposition of Asset and Prepayment of Loans

Japan Rental Housing Investments Inc. (the "Investment Corporation") announces that it has today completed disposition (the "Disposition") of the asset (Gran Casa Motoazabu) as announced in the press release "Notice Concerning Disposition of Asset" on February 20, 2013 and has today made a prepayment of loans (the "Prepayment") associated with the disposition. Details are provided as follows.

I. Summary of Disposition of Asset

Property Name	Disposition Price (Note1)	Buyer
Gran Casa Motoazabu	335,000 thousand yen	(Note2)

(Note1) Exclude sales expenses, fixed asset tax and city planning tax adjustments, and consumption tax and local consumption tax.
(Note2) The buyer for the property is a domestic corporation, but the details are undisclosed as requested by the buyer.
(Note3) Amounts are rounded down to the indicated unit; hereinafter the same.

For details on the disposition, please refer to the press release "Notice Concerning Disposition of Asset" on February 20, 2013.

II. Repayment of Loans

1. Date of the Prepayment: March 7, 2013
2. Total amount of the Prepayment: 194 million yen
3. Summary of the Prepayment

Lender			Balance of Borrowing Before the Prepayment (million yen)	Amount of the Prepayment (million yen)	Balance of Borrowing After the Prepayment (million yen)	Drawdown Date	Due Date of Repayment (Note4)	Collateral	Most Recent Interest Rate (Planned Applicable Period of Interest Rate)
Term Loan	A4 (Note1)	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Aozora Bank, Ltd. The Norinchukin Bank Sumitomo Mitsui Banking Corporation Resona Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited The Musashino Bank, Ltd.	7,053	-72	6,981	June 22, 2010	June 22, 2013	Secured	1.67000% (February 23, 2012 to March 22, 2012)
	A5 (Note2)	The Norinchukin Bank Mitsubishi UFJ Trust Banking Corporation Resona Bank, Ltd. Shinsei Bank, Limited Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited	2,068	-21	2,047	June 22, 2011	June 22, 2014		0.87000% (February 23, 2012 to March 22, 2012)
			4,209	-43	4,166		June 22, 2016		1.07000% (February 23, 2012 to March 22, 2012)
	A6 (Note3)	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Aozora Bank, Ltd. Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited	4,600	-47	4,553	June 22, 2012	June 22, 2017		0.92000% (February 23, 2012 to March 22, 2012)
Credit Line Loan	A11 (Note1)	Shinsei Bank, Limited	948	-9	938	June 22, 2010	June 22, 2013		1.67000% (February 23, 2012 to March 22, 2012)

(Note1) Please refer to the press releases "Notice Concerning Borrowings and Repayment of Loans including Partial Prepayment" on June 18, 2010, "Notice Concerning Completion of Disposition of Asset and Prepayment of Loans" on March 11, 2011, March 16, 2011, March 22, 2011, March 19, 2012, March 21, 2012, March 26, 2012, March 27, 2012 and September 4, 2012.

(Note2) Please refer to the press releases "Notice Concerning Borrowing of Funds and Repayment of Loans" on June 20, 2011, "Notice Concerning Completion of Disposition of Asset and Prepayment of Loans" on March 19, 2012, March 21, 2012, March 26, 2012, March 27, 2012 and September 4, 2012.

(Note3) Please refer to the press releases "Notice Concerning Borrowing of Funds and Repayment of Loans" on June 20, 2012 and "Notice Concerning Completion of Disposition of Asset and Prepayment of Loans" on September 4, 2012.

(Note4) On the next business date, if each due date of repayment is a non-business day.

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

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[For reference]

I. Outstanding loans

(1) Balance of the loans before and after the Prepayment (interest-bearing debt ratio)

(million yen)

	Before	After	Change
Short-term borrowings (Note1)	-	-	-
Long-term borrowings (Note1)	76,136	75,942	-194
(Long-term borrowings due within one year) (Note2)	30,136	30,054	-82
Total borrowings	76,136	75,942	-194
Investment corporation bonds	-	-	-
Total interest-bearing debt	76,136	75,942	-194
Interest-bearing debt ratio (Note3) (Note4)	47.4%	47.3%	-0.1%

(Note1) The periods for short-term borrowings are within one year and long-term borrowings are over one year.
(Note2) Long-term borrowing due within one year represents the borrowing due within one year from the date of the Prepayment.
(Note3) Interest-bearing debt ratio = Total interest-bearing debt / (Total interest-bearing debt + Unitholders' capital + Investment surplus + Balance of negative goodwill at the end of the previous period) × 100.
(Note4) Ratios are rounded off to one decimal place; hereinafter the same.

(2) Trends in interest-bearing debt

	Balance as of September 30, 2012 (end of the 13th Fiscal Period)	Amount of the Prepayment of the loans and change in LTV	Balance as of March 7, 2013 (after the Prepayment)
Total interest-bearing debt	76,136 million yen	-194 million yen	75,942 million yen
LTV based on book value (Note1)	47.4%	-0.1%	47.3%
LTV based on appraisal value (Note2)	52.4%	0.0%	52.4%

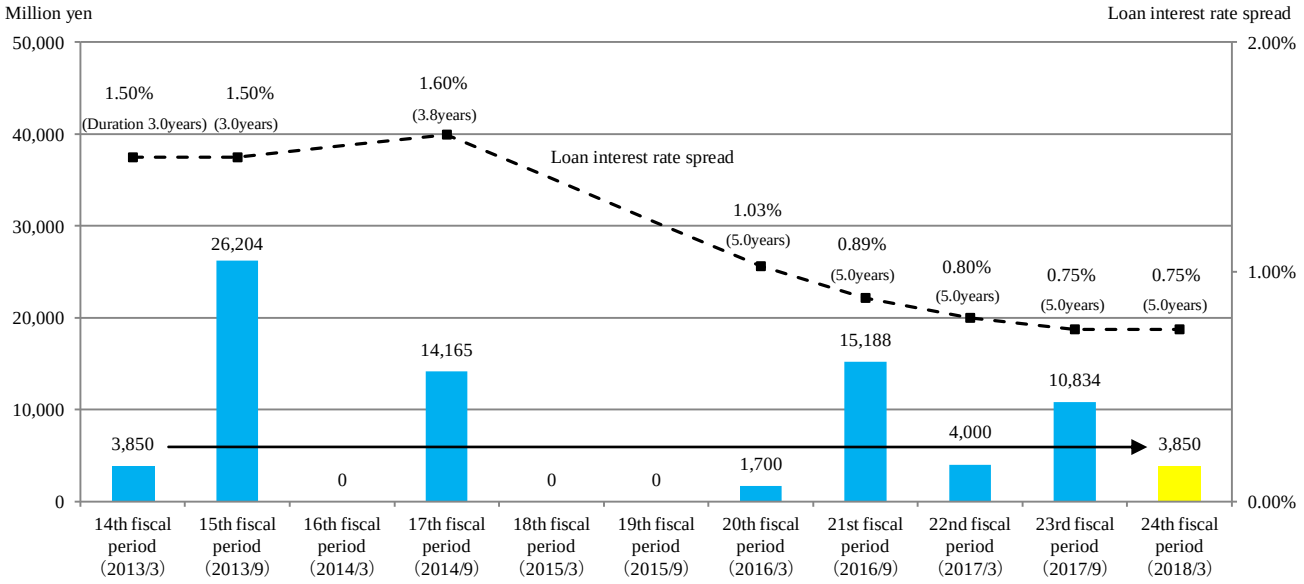
(Note1) LTV based on book value: Interest-bearing debt ratio = Total interest-bearing debt / (Total interest-bearing debt + Unitholders' capital + Investment surplus + Balance of negative goodwill at the end of the previous period) × 100.
(Note2) For calculating LTV based on appraisal value, appraisal values at the end of the 13th Fiscal Period.

(3) Outstanding balance of borrowings by lender

Lender	As of September 30,2012	Amount of the Prepayment	As of March 7, 2013		After the Planning Refinance on March 25, 2013 (Note)	
	Balance (million yen) (A)	(B) - (A)	Balance (million yen) (B)	Share	Balance (million yen)	Share
The Bank of Tokyo-Mitsubishi UFJ, Ltd (agent)	19,733	▲32	19,701	25.9%	19,701	25.9%
Aozora Bank, Ltd.	18,367	▲24	18,343	24.2%	18,343	24.2%
Sumitomo Mitsui Banking Corporation	14,590	▲25	14,564	19.2%	14,964	19.7%
Resona Bank, Limited	6,061	▲26	6,035	7.9%	6,035	7.9%
Shinsei Bank, Limited	4,552	▲31	4,520	6.0%	4,520	6.0%
Sumitomo Mitsui Trust Bank, Limited	4,194	▲12	4,182	5.5%	3,182	4.2%
The Musashino Bank, Ltd	2,019	▲12	2,007	2.6%	2,007	2.6%
Mitsubishi UFJ Trust and Banking Corporation	1,769	▲9	1,759	2.3%	1,959	2.6%
The Norinchukin Bank	1,970	▲20	1,950	2.6%	1,950	2.6%
ORIX Bank Corporation	1,877	0	1,877	2.5%	1,877	2.5%
HIGASHI-NIPPON BANK,LTD	500	0	500	0.7%	900	1.2%
The Bank of Fukuoka, Ltd.	500	0	500	0.7%	500	0.7%
Total	76,136	▲194	75,942	100.0%	75,942	100.0%

(Note) For the planning refinance on March 25, 2013, please refer to the press releases "Notice Concerning Borrowing of Funds and Repayment of Loans" on December 27, 2012.

(4) Borrowings by repayment date



(Note) The graph above shows the situation after the refinancing on March 25, 2013 – amount of 3.85 billion yen.
(Note) Figures denote the weighted average for loan interest spreads and duration of borrowings in each fiscal period.