日本賃貸住宅投資法人
Japan Rental Housing Investments Inc.

June 25, 2013

To All Concerned Parties

REIT Issuer:
Japan Rental Housing Investments Inc.
6-16-12 Shinbashi, Minato-ku, Tokyo 105-0004
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(Securities Code: 8986)
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Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest)

Japan Rental Housing Investment Inc. (hereafter referred to as the "Investment Corporation") hereby announces its decision today to acquire the following asset (silent partnership equity interest) (hereafter, the "Acquisition"). Details are provided below.

1. Overview of the Acquisition

(1) Asset scheduled to be acquired:	Equity interest in silent partnership investing in real estate beneficiary interest in trust
(2) Name of Property:	Silent partnership equity interest in GK JFM
(3) Real estate in trust:	Lietocourt Asakusabashi (Taito-ku, Tokyo) Lietocourt Yotsuya (Shinjuku-ku, Tokyo) Lietocourt Motoakasaka (Minato-ku, Tokyo) Lietocourt Marunouchi (Naka-ku, Nagoya-shi, Aichi)
(4) Investment amount:	JPY 317,000,000 (approx. 15% of total silent partnership equity interest)
(5) Date of conclusion of sales contract:	June 25, 2013
(6) Date of acquisition:	June 26, 2013 (Scheduled)
(7) Acquisition funds:	Own funds

2. Reason for Acquisition

In order to distribute stable profits to investors over the long term, the Investment Corporation will aim for continued growth of the asset size and increase of the portfolio's quality by acquiring new properties in the Tokyo metropolitan area centering on the 23 wards of Tokyo as well as new regional top-class properties outside the Tokyo metropolitan area (Sapporo, Sendai, Nagoya, Osaka and Fukuoka).

Through the Acquisition, the Investment Corporation will secure first refusal rights (for details, please refer to "III. Details of the Properties (1) Outline of the Silent Partnership") for the acquisition of all or part of the above real estate beneficiary interest in trust (there must be reasonable grounds for a partial acquisition). The Investment Corporation will not be obliged to acquire any of the real estate in trust. Moreover, during the period of investment the Investment Corporation is scheduled to receive from the operator of the silent partnership dividends of profits from rental revenues,

etc. from the tenants at the real estate in trust.

As all of the above real estate in trust are in prime locations (constructed from 2005 to 2006) which expect demand from single persons to families, they are able to generate dividends of profits through the silent partnership and provide opportunities for future acquisitions through the use of first refusal rights, the Investment Corporation believes the Acquisition will contribute to profitability in the medium to long term and improvement of the quality of the portfolio.

Furthermore, the property characteristics, etc. of the real estate in trust are as described below.

Name of Properties	Property Characteristics, etc.
Lietocourt Asakusabashi	Close to Asakusabashi Station on the JR Sobu Line and Toei Asakusa subway line; very convenient property with a total of 49 units (23 1LDK units, 20 2LDK units and 6 3LDK units); demand is expected from single persons to families for this condominium.
Lietocourt Yotsuya	Convenient property in quiet residential area of central Tokyo; total of 49 units (16 1DK units, 7 1LDK units, 9 1LDK/S units, 16 2LDK units and 1 3LDK unit); demand is expected from single persons and DINKs for this condominium.
Lietocourt Motoakasaka	Condominium comprised primarily of studio-type units near the Akasaka Detached Palace away from the hustle and bustle in other parts of central Tokyo; total of 37 units (8 1R units, 27 1DK units, 1 2LDK unit and 1 office unit).
Lietocourt Marunouchi	Located in business and commercial area of central Nagoya; very convenient family-type condominium that is rare with excellent living environment; total of 120 units (13 2LDK units, 12 2SLDK units, 72 3LDK units and 23 4LDK units).

3. Details of the Properties

(1) Outline of the Silent Partnership

<table>
<tr><td>Name of operator</td><td>GK JFM</td></tr>
<tr><td>Silent partnership agreement valid for</td><td>10 years from June 25, 2013</td></tr>
<tr><td>Total amount of equity investment in silent partnership</td><td>JPY 2,113 million</td></tr>
<tr><td>Outline of the silent partnership agreement</td><td>Outline of the investment in the silent partnership
<table><tr><td colspan="2">GK JFM</td></tr><tr><td rowspan="2">Real estate beneficiary interest in trust, etc.
JPY 8,383 million
(Note 1)</td><td>Non-recourse loan
JPY 6,270 million</td></tr><tr><td>Equity investment in silent partnership, etc.
JPY 2,113 million (Note 2)</td></tr></table>(Note 1) GK JFM is scheduled to acquire trust beneficiary interest in real estate in trust on June 27, 2013. The total appraisal value of the underlining real estate is JPY 9,000 million (as of May 31, 2013).
(Note 2) The Investment Corporation is scheduled to invest JPY 317 million (approx. 15%) of the equity investment in GK JFM, etc. Moreover, there are no relations of interests to be noted between the other investors of the silent partnership and the Investment Corporation or the Asset Management Company.
(Note 3) There is no relation of interest to be noted between GK JFM's asset manager and the Investment Corporation or the Asset Management Company.</td></tr>
</table>

<table>
<tr><td></td><td>The Calculation period:
The calculation periods are every quarter. The quarters are January 1 to the end of March, April 1 to the end of June, July 1 to the end of September and October 1 to the end of December. However, the first calculation period will be from the date of first execution of equity investment to the end of September 2013, and in addition, in case of termination of the silent partnership agreement, the termination date will be the last day of the calculation period.

Distribution of profits and losses:
Profits or losses from the silent partnership will be attributed to the silent partnership equity interest holders according to their equity interest. If losses are generated in the silent partnership, the operator may deduct the amount attributable to the silent partnership equity interest holders from the investment amount of the silent partnership equity interest holders. However, even if the total amount of loss attributable to the silent partnership equity interest holders exceeds the total investment amount, the silent partnership equity interest holders will only bear losses within the amount of investment. The first fiscal year of the silent partnership shall be from the first investment payment date to December 31, 2013 and the successive fiscal years shall be from January 1 to the end of December each year. However, the operator may modify the fiscal year as appropriate at their discretion.</td></tr>
<tr><td>Outline of preferential acquisition rights</td><td>Outline of first refusal rights granted through acquisition of silent partnership equity interests

<table><tr><td>Description of first refusal rights</td><td>First refusal rights for trust beneficiary interest in real estate in trust or real estate in trust (see (2) below), scheduled to be acquired by the operator on June 27, 2013, for the price indicated in “First refusal rights price terms” below. However, conditions other than the price must also be agreed to.</td></tr><tr><td>Exercise period of first refusal rights</td><td>From June 27, 2013 to December 31, 2014
However, the transfer execution date must be during the period of December 25, 2013 to March 31, 2015.</td></tr><tr><td>First refusal rights price terms</td><td>JPY 8,185,100,000
Price breakdown: (not including consumption tax and regional consumption tax)
Lietocourt Asakusabashi: JPY 1,615,800,000
Lietocourt Yotsuya: JPY 1,716,800,000
Lietocourt Motoakasaka: JPY 1,095,700,000
Lietocourt Marunouchi: JPY 3,756,800,000</td></tr></table></td></tr>
</table>

(2) Overview of Real Estate in Trust

The overview of the real estate in trust concerning the trust beneficiary interest in real estate which is the operating asset of the silent partnership in which the Investment Corporation is scheduled to acquire equity interest is as follows. Furthermore, as indicated in "2. Reasons for Acquisition" above, though the Investment Corporation will be granted first refusal rights for the trust beneficiary interest, there is no guarantee the Investment Corporation will execute its first refusal rights and acquire the trust beneficiary interest.

① Lietocourt Asakusabashi

Category of property	Trust beneficiary interest	Scheduled acquisition date	June 27, 2013
Trust company	Sumitomo Mitsui Trust Bank, Limited	Trust agreement period	From August 31, 2006 To August 31, 2016

Unique Features of the Property

Located a four-minute walk from Asakusabashi Station on the JR Sobu Line and Toei Asakusa Subway Line, the property is a condominium comprised primarily of 1LDK to 2LDK units targeting a wide range of residents. Access to central Tokyo is also excellent as Akihabara Station on the JR Sobu Line is only an approximate two-minute ride from Asakusabashi Station. The area faces Edogawa-dori Street (National Route 6) with a mixture of mid-to-high-rise condominiums, office buildings with shops and such nearby. As access to convenient facilities such as the station and daily commodity stores is excellent, many of the condominiums target single persons who seek convenience of living.

Overview of the Property

Location (Note 1)	(Residential indication) 2-15-2, Yanagibashi, Taito-ku, Tokyo (Lot number) 2-8-5, Yanagibashi, Taito-ku, Tokyo			
Land	Type of ownership	Proprietary ownership	Use Area (Note 2)	Commercial district
	Land area (Note 1)	396.03 m^2	FAR / Building coverage ratio (Note 3)	700% / 80%
Building	Type of ownership	Proprietary ownership	Use (Note 1)	Condominium
	Floor space (Note 1)	3,262.88 m^2	Completion date (Note 1)	May 18, 2005
	Type of structure (Note 1)	RC, 14-story building with flat roof		
Number of leasable units by type	49 units (1LDK: 23 units, 2LDK: 20 units, 3LDK: 6 units)			

Property Appraisal Summary (Note 4)		**Tenants Details** (Note 5)	
Appraiser	Japan Real Estate Institute	Number of tenants (Note 6)	1
Date of appraisal	May 31, 2013	Leasable area (Note 7)	2,633.12 m^2
Appraisal value	JPY 1,750,000 thousand	Leased area	2,586.20 m^2
Value calculated using the direct capitalization method	JPY 1,770,000 thousand	Monthly rent (Note 8)	JPY 9,310 thousand
Gross operating revenue	JPY 109,645 thousand	Lease deposits and guarantee Deposits	JPY 16,945 thousand
Gross operating expenses	JPY 18,886 thousand	Occupancy ratio (unit base)	98.0%
Net operating income (NOI)	JPY 90,759 thousand	Occupancy ratio (area base) (Note 9)	98.2%
Lump-sum investment return	JPY 339 thousand	**Engineering Report Summary** (Note 10)	
Capital expenditure	JPY 2,386 thousand		
Net cash flow (NCF)	JPY 88,712 thousand	Engineering report company	ERI SOLUTION CO., LTD.
Overall capitalization rate	5.0%	Date of research	June 19, 2013
Value indicated by DCF Method	JPY 1,730,000 thousand	Priority repairs	JPY 0 thousand
Discount rate	4.8%	Near-future repairs (within a year)	JPY 1,770 thousand
Terminal capitalization rate	5.2%	Far-future repairs (2-12 year timeline)	JPY 48,620 thousand
Value indicated by cost Approach	JPY 1,360,000 thousand	Probable maximum loss (PML)	4.0%
Collateral (Note 11)	None		

Special Note: None

② Lietocourt Yotsuya

Category of property	Trust beneficiary interest	Scheduled acquisition date	June 27, 2013
Trust company	Sumitomo Mitsui Trust Bank, Limited	Trust agreement period	From August 31, 2006 To August 31, 2016

Unique Features of the Property

Located an approximate six-minute walk from Yotsuya-sanchome Station on the Tokyo Metro Marunouchi Line, the property is a nine-story RC condominium primarily targeting families. The property is located within walking distance of places such as Arakimachi where there are numerous restaurants and it is also near Shinjuku Gyoen with its abundant greenery. Moreover, with excellent access to major business districts and such, demand from single persons and DINKs who emphasize convenient downtown living is expected.

Overview of the Property

Location (Note 1)	(Residential indication) 4-17, Yotsuya, Shinjuku-ku, Tokyo (residential indication not implemented)			
	(Lot number) 4-17-3, 4-17-23, 4-17-24, 4-17-25, 4- 17-26, 4-17-27, 4-17-28, 4-17-30, 4-17-32, 4-17-33, 4-17-34, 4-17-35, Yotsuya, Shinjuku-ku, Tokyo			
Land	Type of ownership	Proprietary ownership	Use Area (Note 2)	Category 1 residential area
	Land area (Note 1)	1,240.51 m^2	FAR / Building coverage ratio (Note 3)	300% / 60%
Building	Type of ownership	Proprietary ownership	Use (Note 1)	Condominium
	Floor space (Note 1)	2,689.92 m^2	Completion date (Note 1)	January 10, 2006
	Type of structure (Note 1)	RC, 9-story building with flat roof		
Number of leasable units by type	49 units (1DK: 16 units, 1LDK: 7 units, 1LDK/S: 9 units, 2LDK: 16 units, 3LDK: 1unit)			

Property Appraisal Summary (Note 4)		**Tenants Details** (Note 5)	
Appraiser	Japan Real Estate Institute	Number of tenants (Note 6)	1
Date of appraisal	May 31, 2013	Leasable area (Note 7)	2,397.93 m^2
Appraisal value	JPY 1,890,000 thousand	Leased area	2,178.02 m^2
Value calculated using the direct capitalization method	JPY 1,910,000 thousand	Monthly rent (Note 8)	JPY 8,938 thousand
Gross operating revenue	JPY 113,577 thousand	Lease deposits and guarantee Deposits	JPY 14,535 thousand
Gross operating expenses	JPY 18,143 thousand	Occupancy ratio (unit base)	91.8%
Net operating income (NOI)	JPY 95,434 thousand	Occupancy ratio (area base) (Note 9)	90.8%
Lump-sum investment return	JPY 320 thousand	**Engineering Report Summary** (Note 10)	
Capital expenditure	JPY 2,300 thousand		
Net cash flow (NCF)	JPY 93,454 thousand	Engineering report company	ERI SOLUTION CO., LTD.
Overall capitalization rate	4.9%	Date of research	June 19, 2013
Value indicated by DCF Method	JPY 1,860,000 thousand	Priority repairs	JPY 0 thousand
Discount rate	4.7%	Near-future repairs (within a year)	JPY 390 thousand
Terminal capitalization rate	5.1%	Far-future repairs (2-12 year timeline)	JPY 26,010 thousand
Value indicated by cost Approach	JPY 1,500,000 thousand	Probable maximum loss (PML)	6.8%
Collateral (Note 11)	None		

Special Note: None

③ Lietocourt Motoakasaka

Category of property	Trust beneficiary interest	Scheduled acquisition date	June 27, 2013
Trust company	Sumitomo Mitsui Trust Bank, Limited	Trust agreement period	From August 31, 2006 To August 31, 2016

Unique Features of the Property

Located a six-minute walk from Akasaka-mitsuke Station on the Tokyo Metro Marunouchi and Ginza lines, the property is a condominium comprised primarily of 1DK units. The area is convenient for transportation as Akasaka-mitsuke Station is an approximate 10-minute ride to Tokyo Station on the Tokyo Metro Marunouchi Line as well as about an eight-minute ride to Shibuya Station on the Ginza Line. Moreover, living is convenient with good access to downtown commercial areas such as Ginza and Omotesando. The area hosts a mixture of residential complexes targeting singles and office buildings. A redevelopment is scheduled at the nearby former site of Grand Prince Hotel Akasaka.

Overview of the Property

Location (Note 1)	(Residential indication) 1-7-4, Motoakasaka, Minato-ku, Tokyo			
	(Lot number) 1-720-2, Motoakasaka, Minato-ku, Tokyo			
Land	Type of ownership	Proprietary ownership	Use Area (Note 2)	Commercial district
	Land area (Note 1)	309.22 m^2	FAR / Building coverage ratio (Note 3)	700/500% / 80/80%
Building	Type of ownership	Proprietary ownership	Use (Note 1)	Condominium, Office
	Floor space (Note 1)	1,551.16 m^2	Completion date (Note 1)	April 6, 2006
	Type of structure (Note 1)	SRC, 11-story building with flat roof		
Number of leasable units by type	37 units (1R: 8 units, 1DK: 27 units, 2LDK: 1unit, Office: 1unit)			

Property Appraisal Summary (Note 4)		**Tenants Details** (Note 5)	
Appraiser	Japan Real Estate Institute	Number of tenants (Note 6)	1
Date of appraisal	May 31, 2013	Leasable area (Note 7)	1,283.09 m^2
Appraisal value	JPY 1,210,000 thousand	Leased area	1,111.47 m^2
Value calculated using the direct capitalization method	JPY 1,220,000 thousand	Monthly rent (Note 8)	JPY 5,562 thousand
Gross operating revenue	JPY 73,245 thousand	Lease deposits and guarantee Deposits	JPY 11,002 thousand
Gross operating expenses	JPY 13,866 thousand	Occupancy ratio (unit base)	86.5%
Net operating income (NOI)	JPY 59,379 thousand	Occupancy ratio (area base) (Note 9)	86.6%
Lump-sum investment return	JPY 245 thousand	**Engineering Report Summary** (Note 10)	
Capital expenditure	JPY 1,260 thousand		
Net cash flow (NCF)	JPY 58,364 thousand	Engineering report company	ERI SOLUTION CO., LTD.
Overall capitalization rate	4.8%	Date of research	June 19, 2013
Value indicated by DCF Method	JPY 1,190,000 thousand	Priority repairs	JPY 0 thousand
Discount rate	4.6%	Near-future repairs (within a year)	JPY 580 thousand
Terminal capitalization rate	5.0%	Far-future repairs (2-12 year timeline)	JPY 14,490 thousand
Value indicated by cost Approach	JPY 1,020,000 thousand	Probable maximum loss (PML)	6.8%
Collateral (Note 11)	None		

Special Note: None

④ Lietocourt Marunouchi

Category of property	Trust beneficiary interest	Scheduled acquisition date	June 27, 2013
Trust company	Sumitomo Mitsui Trust Bank, Limited	Trust agreement period	From August 31, 2006 To August 31, 2016

Unique Features of the Property

Located an approximate three-minute walk from Marunouchi Station on the Nagoya Municipal Subway Sakura-dori and Meijo lines, the property is a 15-story SRC condominium primarily targeting families. Marunouchi where the property is located is near the Meieki and Sakae district, Nagoya's concentrated business and commercial area, and as there are many educational, medical and government facilities including Meijo Elementary School, Marunouchi Junior High School, Chunichi Hospital, Aichi Prefectural Office, Nagoya City Office and Aichi Prefectural Library, the area is extremely convenient. The property has been developed by a major developer and the exclusive areas and common areas alike have a high sense of grade. Demand is expected from families that emphasize the highest level of convenience and grade in Nagoya.

Overview of the Property

Location (Note 1)	(Residential indication) 3-23-23, Marunouchi, Naka-ku, Nagoya-shi, Aichi			
	(Lot number) 3-2315, Marunouchi, Naka-ku, Nagoya-shi, Aichi			
Land	Type of ownership	Ownership of site	Use Area (Note 2)	Commercial district
	Land area (Note 1)	1,449.35 m^2	FAR / Building coverage ratio (Note 3)	800% / 80%
Building	Type of ownership	Sectional ownership	Use (Note 1)	Condominium
	Floor space (Note 1)	9,062.42 m^2	Completion date (Note 1)	September 7, 2005
	Type of structure (Note 1)	SRC, 1-floor basement, 15-story building with flat floor		
Number of leasable units by type	120 units (2LDK: 13 units, 2SLDK: 12 units, 3LDK: 72 units, 4LDK: 23 units)			

Property Appraisal Summary (Note 4)		**Tenants Details** (Note 5)	
Appraiser	The Tanizawa Sōgō Appraisal Co., Ltd.	Number of tenants (Note 6)	1
Date of appraisal	April 30, 2013	Leasable area (Note 7)	9,351.18 m^2
Appraisal value	JPY 4,150,000 thousand	Leased area	7,841.02 m^2
Value calculated using the direct capitalization method	JPY 4,250,000 thousand	Monthly rent (Note 8)	JPY 22,110 thousand
Gross operating revenue	JPY 305,318 thousand	Lease deposits and guarantee deposits	JPY 41,157 thousand
Gross operating expenses	JPY 64,143 thousand	Occupancy ratio (unit base)	84.2%
Net operating income (NOI)	JPY 241,175 thousand	Occupancy ratio (area base) (Note 9)	83.9%
Lump-sum investment return	JPY 888 thousand	**Engineering Report Summary** (Note 10)	
Capital expenditure	JPY 8,365 thousand		
Net cash flow (NCF)	JPY 233,698 thousand	Engineering report company	ERI SOLUTION CO., LTD.
Overall capitalization rate	5.5%	Date of research	June 19, 2013
Value indicated by DCF Method	JPY 4,110,000 thousand	Priority repairs	JPY 0 thousand
Discount rate	5.7%	Near-future repairs (within a year)	JPY 400 thousand
Terminal capitalization rate	5.8%	Far-future repairs (2-12 year timeline)	JPY 153,590 thousand
Value indicated by cost Approach	JPY 3,730,000 thousand	Probable maximum loss (PML)	5.4%
Collateral (Note 11)	None		

Special Note: The ratio of site ownership of the acquisition portion is 934,937/961,481.

(Note 1) Figures and information in the columns "Location (lot number)," "Land area," "Floor space," "Type of structure," "Use" and "Completion date" are as per the registry of the property. In the column "Type of structure," "SRC" indicates "steel reinforced-concrete," "RC" indicates "reinforced-concrete" and "S" indicates "steel." Figures for only the area in trust (including the agreed common use portion) are indicated for Lietocourt Marunouchi's use, floor space and number of leasable units by type.

(Note 2) Figures and information in the column "Area classification" is from the zoning type indicated by Article 8-1-1 of the City Planning Law.

(Note 3) Figures and information in the column "FAR/Building coverage ratio," FAR uses the ratio of the floor area of the building versus the land area as stipulated in Article 52 of the Building Standards Law, and the figures designated for use and area in city planning. The building coverage ratio uses the building area versus the land area as stipulated in Article 53 of the Building Standards Law, and the figures designated for use and area in city planning.

(Note 4) Figures and information in the column "Property Appraisal Summary" are as per the report by the appraisal firm with respect to the real estate in trust based on the Act on Real Estate Appraisal (Law No. 152 of 1963, including revisions thereafter) and Real Estate Appraisal Standards. Furthermore, for details of items, please refer to "(Reference Material I) Property Appraisal Summary of Real Estate in Trust" below. Net earnings (NCF) = Net earnings from rentals (NOI) + one-time asset management gains – capital expenditure. The numbers are rounded off to the nearest thousand yen and ratios are rounded off to the first decimal place.

(Note 5) Figures and information in the column "Tenants details" are based on the information as of May 31, 2013 of the real estate in trust based on materials provided by the operator.
(Note 6) Figures and information in the column "Number of tenants" are entered as one tenant when Investment Corporation retains a master lease agreement with the Master Lease Company.
(Note 7) Leasable area is the area that can be leased in the building of the real estate in trust as of May 31, 2013. The areas that are leased in association with the main purpose of lessees, including warehouses, parking facilities, the building manager's office, signs, automatic vending machines and antennas, and the areas that the lessor leases to maintain the building (including areas with respect to which the lessor grants temporary use under loan-for-use agreements) are excluded. Moreover, the leasable area is the area enclosed by the center line of the wall, and includes areas for the meter boxes and pipe space allocated to each residential unit.
(Note 8) Monthly rent (rent, common service fees and parking fees) in the column "Monthly rent" are based on information as of May 31, 2013 concerning the properties to be acquired. The numbers are rounded off to the nearest thousand yen.
(Note 9) Figures in the column "Occupancy ratio (area base)" are calculated from the "Leased area" number divided by the "Leasable area" number and shown as a percentage rounded off to the first decimal place.
(Note 10) Figures in the column "Engineering report summary" are rounded off to the nearest thousand yen, and ratios are rounded off to the first decimal place. The figures for the earthquake PML was received from Tokyo Marine & Nichido Risk Consulting Co., Ltd. in April 2013.
(Note 11) A right of pledge is scheduled to set with the operator as the pledger and the non-recourse lenders as the pledgees concerning the trust beneficiary interest in real estate in trust

(3) Outline of Operator of Silent Partnership

Name		GK JFM
Location		2-6-5 Nihonbashi, Chuo-ku, Tokyo
Representative		Representative employee: general incorporated association JSL Operational executor: Shingo Kaminaga
Main Business		1. Transaction, ownership, leasing, management of real estate, and brokerage of such 2. Ownership and transaction of trust beneficiary interest 3. All business incidental to the above
Paid-in Capital		JPY 300,000
Date of Establishment		May 1, 2013
Relation with the Investment Corporation and Asset Management Company		
	Capital relationship	There is no capital relationship to be noted between the Investment Corporation or the Asset Management Company and the operator. Moreover, there is no capital relationship to be noted between related parties or associated companies of the Investment Corporation or the Asset Management Company and related parties or associated companies of the operator.
	Personnel relationship	There is no personnel relationship to be noted between the Investment Corporation or the Asset Management Company and the operator. Moreover, there is no personnel relationship to be noted between related parties or associated companies of the Investment Corporation or the Asset Management Company and related parties or associated companies of the operator.
	Business relationship	There is no business relationship to be noted between the Investment Corporation or the Asset Management Company and the operator. Moreover, there is no business relationship to be noted between related parties or associated companies of the Investment Corporation or the Asset Management Company and related parties or associated companies of the operator.
	Applicability to related parties	The operator does not fall under the category of related party of the Investment Corporation or the Asset Management Company. Moreover, the related parties or associated companies of the operator do not fall under the category of related party of the related parties or associated companies of the Investment Corporation or the Asset Management Company.

4. Transaction with Interested Parties, etc.

None

5. Profile of Brokerage

None

6. Date of Acquisition

June 25, 2013 Determination of acquisition and conclusion of silent partnership agreement

June 26, 2013 Equity investment in silent partnership (scheduled)

June 27, 2013 Transfer of real estate trust beneficiary interest to the operator of the silent partnership (scheduled)

7. Forecasts

There is minimal impact from this acquisition on asset management conditions for the fiscal period ending September 30, 2013 (April 1, 2013 to September 30, 2013), and we have thus left our forecasts unchanged.

日本賃貸住宅投資法人
Japan Rental Housing Investments Inc.

【Reference Material】

I. Property Appraisal Summary of Real Estate in Trust

Property Name			Lietocourt Asakusabashi	Lietocourt Yotsuya
Appraisal Value		(JPY)	1,750,000,000	1,890,000,000
Appraiser		-	Japan Real Estate Institute	Japan Real Estate Institute
Date of Appraisal		-	May 31, 2013	May 31, 2013
Value indicated by income approach		(JPY)	1,750,000,000	1,890,000,000
Value indicated by the Direct Capitalization Method		(JPY)	1,770,000,000	1,910,000,000
(1) Total Operating Income (a-b)		(JPY)	109,645,000	113,577,000
a	Rental revenues including common service fees	(JPY)	110,657,000	115,988,000
a	Parking fees	(JPY)	4,704,000	2,448,000
a	Other revenues	(JPY)	1,752,000	1,987,000
b	Losses from vacancies	(JPY)	7,468,000	6,846,000
b	Bad debt losses	(JPY)	0	0
(2) Total Operating Expenses		(JPY)	18,886,000	18,143,000
Operation costs		(JPY)	2,285,000	1,836,000
Utilities		(JPY)	1,350,000	1,400,000
Repairs and maintenance expense		(JPY)	2,217,000	2,055,000
Property management fees		(JPY)	2,376,000	2,457,000
Tenant promotion fees, etc.		(JPY)	3,352,000	4,590,000
Taxes and public dues		(JPY)	5,474,000	5,143,000
Nonlife insurance		(JPY)	166,000	152,000
Other expenses		(JPY)	1,666,000	510,000
(3) Net Operating Income (NOI): (1) - (2)		(JPY)	90,759,000	95,434,000
(4) Lump-sum Investment Return		(JPY)	339,000	320,000
(5) Capital Expenditure		(JPY)	2,386,000	2,300,000
(6) Net Cash Flow (NCF) : (3) + (4) – (5)		(JPY)	88,712,000	93,454,000
(7) Capitalization Rate		(%)	5.0	4.9
Value Indicated by DCF Method		(JPY)	1,730,000,000	1,860,000,000
Discount Rate		(%)	4.8	4.7
Terminal Capitalization Rate		(%)	5.2	5.1
Value indicated by cost approach *Figures less than a thousand have been rounded off		(JPY)	1,360,000,000	1,500,000,000
Land value		(JPY)	675,000,000	971,000,000
Building value		(JPY)	683,000,000	524,000,000

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Property Name			Lietocourt Motoakasaka	Lietocourt Marunouchi
Appraisal Value		(JPY)	1,210,000,000	4,150,000,000
Appraiser		-	Japan Real Estate Institute	The Tanizawa Sōgō Appraisal Co., Ltd.
Date of Appraisal		-	May 31, 2013	May 31, 2013
Value indicated by income approach		(JPY)	1,210,000,000	4,150,000,000
Value indicated by the Direct Capitalization Method		(JPY)	1,220,000,000	4,250,000,000
(1) Total Operating Income (a-b)		(JPY)	73,245,000	305,318,976
a	Rental revenues including common service fees	(JPY)	75,163,000	288,486,866
a	Parking fees	(JPY)	1,452,000	30,912,000
a	Other revenues	(JPY)	100,000	9,205,391
b	Losses from vacancies	(JPY)	3,470,000	23,285,281
b	Bad debt losses	(JPY)	0	0
(2) Total Operating Expenses		(JPY)	13,866,000	64,143,774
Operation costs		(JPY)	3,096,000	11,676,000
Utilities		(JPY)	1,000,000	4,488,322
Repairs and maintenance expense		(JPY)	1,065,000	9,242,155
Property management fees		(JPY)	1,609,000	7,405,840
Tenant promotion fees, etc.		(JPY)	3,346,000	5,979,387
Taxes and public dues		(JPY)	3,657,000	21,387,851
Nonlife insurance		(JPY)	93,000	605,710
Other expenses		(JPY)	0	3,358,509
(3) Net Operating Income (NOI): (1) - (2)		(JPY)	59,379,000	241,175,202
(4) Lump-sum Investment Return		(JPY)	245,000	888,153
(5) Capital Expenditure		(JPY)	1,260,000	8,365,000
(6) Net Cash Flow (NCF) : (3) + (4) – (5)		(JPY)	58,364,000	233,698,355
(7) Capitalization Rate		(%)	4.8	5.5
Value Indicated by DCF Method		(JPY)	1,190,000,000	4,110,000,000
Discount Rate		(%)	4.6	5.7
Terminal Capitalization Rate		(%)	5.0	5.8
Value indicated by cost approach *Figures less than a thousand have been rounded off		(JPY)	1,020,000,000	3,730,000,000
Land value		(JPY)	692,000,000	2,020,000,000
Building value		(JPY)	328,000,000	1,710,000,000

II. Exterior of Real Estate in Trust

① Lietocourt Asakusabashi



② Lietocourt Yotsuya



③ Lietocourt Motoakasaka

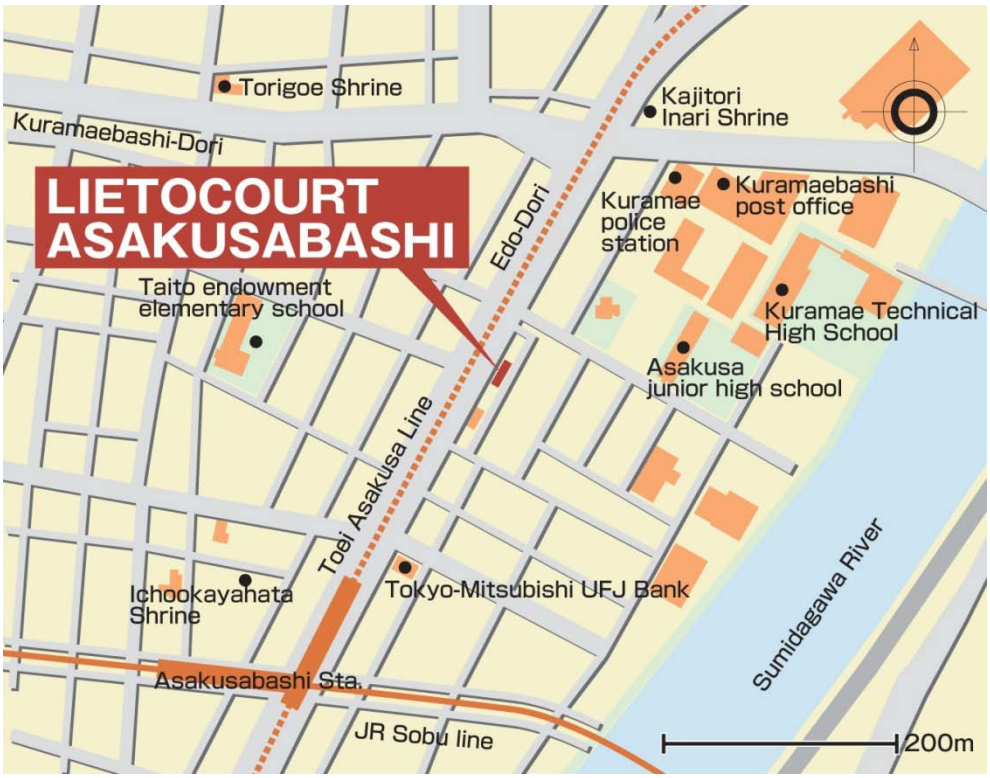


④ Lietocourt Marunouchi

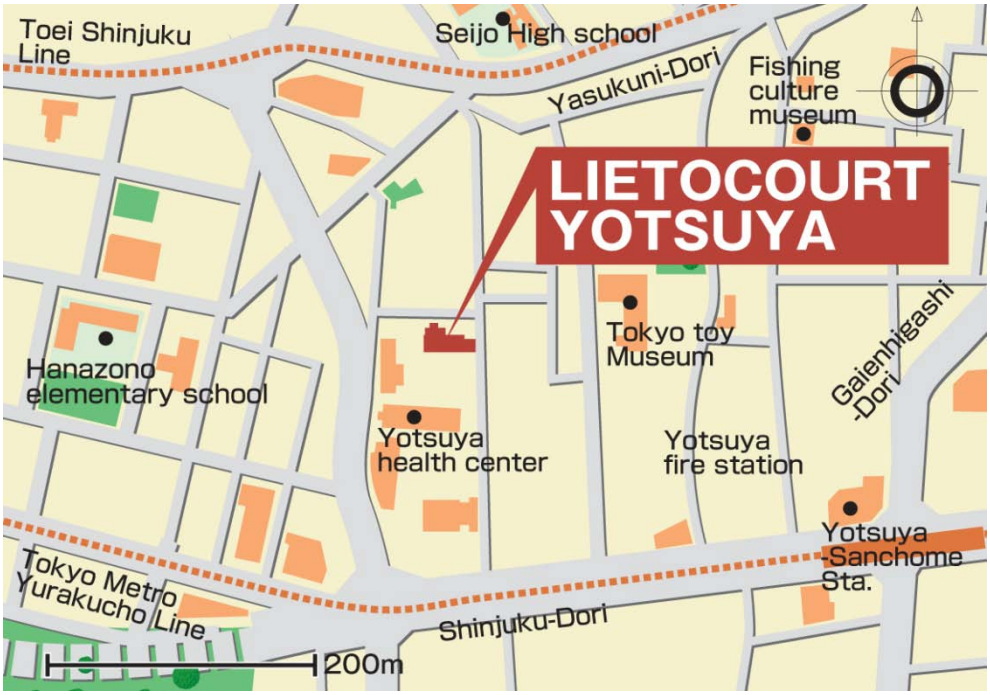


III. Location Chart of Real Estate in Trust

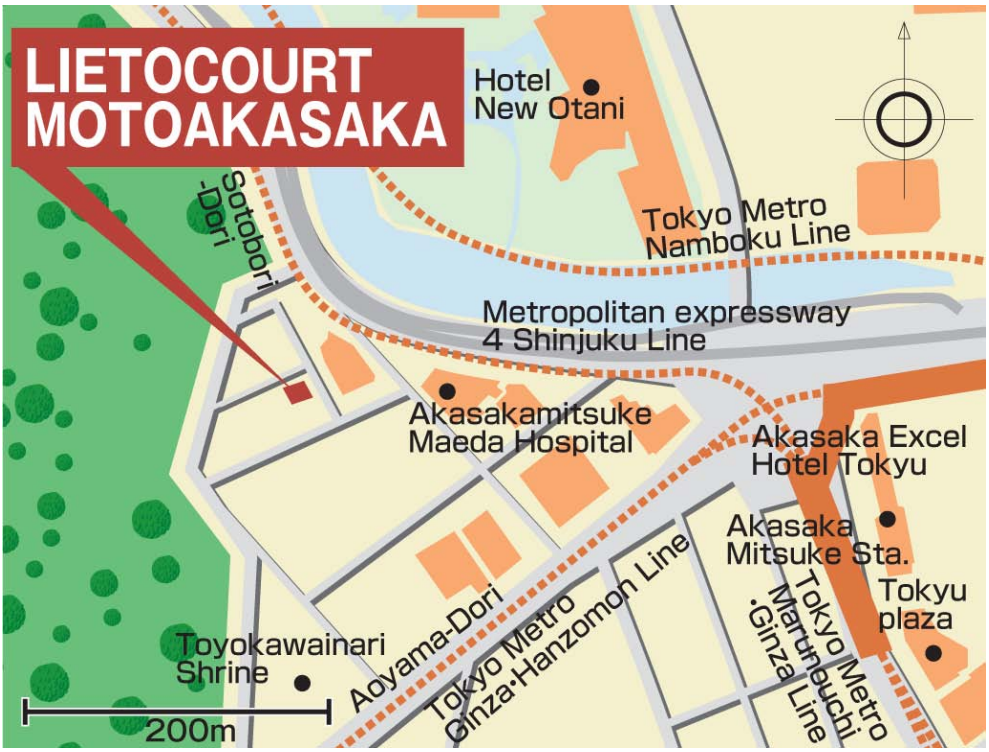
① Lietocourt Asakusabashi



② Lietocourt Yotsuya



③ Lietocourt Motoakasaka



④ Lietocourt Marunouchi

