日本賃貸住宅投資法人
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.

December 2, 2013

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: Atsushi Chikamochi, Chief Financial Officer
Tel: +81-3-5425-5600

Notice Concerning Borrowing of Funds

Japan Rental Housing Investments Inc. (the "Investment Corporation") hereby announces that today it decided to borrow funds (the "Borrowings"). Details are provided below.

I. Borrowings of Funds

1. Reason for Borrowings

The Investment Corporation has decided to make new borrowings. The borrowings to be used as a part of fund (excluding acquisition related costs) to acquire 4 properties ("Lietocourt Asakusabashi", "Lietocourt Marunouchi", "Lietocourt Yotsuya" and "Lietocourt Motoakasaka"), total amount is 12.8 billion yen, to be acquisition on December 25, 2013 and 1 property ("Granpark Tenjin") to be acquisition on March 6, 2014 (hereinafter referred to as the "Real Estate"), out of 7 properties announced on November 8, 2013 (for details, please refer to the press release "Notice Concerning Acquisition of Asset").

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2. Summary of Borrowings

The Investment Corporation has decided to make new borrowings totaling 11.5 billion yen (6.6 billion yen with loan period of approximately 5 years, 2.45 billion yen with loan period of approximately 6 years, and 2.45 billion yen with loan period of approximately 7 years) from a combination of 9 existing correspondent financial institutions through a syndicated loan. The Bank of Tokyo-Mitsubishi UFJ, Ltd. will be the arranger and agent to raise funds to be used for acquiring.

Term Loan A8

(1) Lenders	1st Term Loan: The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Resona Bank, Limited, Shinsei Bank, Limited, Mitsubishi UFJ Trust and Banking Corporation, ORIX Bank Corporation, The Bank of Fukuoka, Ltd, HIGASHI-NIPPON BANK,LTD 2nd Term Loan: The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Shinsei Bank, Limited, Aozora Bank, Ltd 3rd Term Loan: The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Shinsei Bank, Limited, Aozora Bank, Ltd
(2) Amount of borrowings	Total Amount: JPY 11,500 million 1st Term Loan: JPY 6,600 million 2nd Term Loan: JPY 2,450 million 3rd Term Loan: JPY 2,450 million
(3) Drawdown date	1st Term Loan: December 25, 2013 2nd Term Loan: March 6, 2014 3rd Term Loan: March 6, 2014
(4) Due date	1st Term Loan: December 25, 2018 2nd Term Loan: March 23, 2020 3rd Term Loan: March 22, 2021
(5) Interest payment dates	on the 22nd of each month. (if not a business day, the next business day, and if the next business day falls under the next month, the business day immediately prior will be the interest payment date)
(6) Interest rate	1st Term Loan: 1-month JBA Japanese Yen TIBOR+0.75% 2nd Term Loan: 1-month JBA Japanese Yen TIBOR+0.85% 3rd Term Loan: 1-month JBA Japanese Yen TIBOR+0.95%
(7) Method	Borrowings under Term Loan Agreement (A8) to be concluded with the lenders specified in (1) on December 2, 2013.
(8) Repayment conditions	Lump-sum repayment on the due date
(9) Collateral	The first right of fixed pledge or fixed mortgage is established on the Real Estate and properties acquired on November 29, 2013 (F-4-065 The Residence Honmoku Yokohama Bayside and O-1-132 Cresidence Sapporo Minami4jo.) Those 7 properties are addition to the Existing Term Loan (A5, A5-2, A6 and A7.) In addition, the Borrowings will be secured credits of the existing collateral (Note1)(Note2) that has been the first right of fixed pledge or fixed mortgage.

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(Note1) Mortgage properties (fixed pledges or fixed mortgages) for Term Loans A5, A5-2, A6 and A7.

物件番号	物件名称	物件番号	物件名称	物件番号	物件名称
O-1-001	Satella Kita 34-jo	O-4-076	College Square Kiba	F-4-007	Iruma-ekimae Building No.II
O-1-004	Satella Nagayama	O-4-077	College Square Kinshicho	F-4-008	Sereno Omiya
O-4-005	willDo Koshigaya	O-4-078	College Square Waseda	F-4-009	Suzuran-kan
O-4-006	Joyful Sayama	O-4-125	Gran Casa Roppongi	F-4-010	Bonheur Tokiwa
O-4-007	Lumiere Hachioji	O-4-127	Storia Jingumae	F-4-011	Profit Link Takenotsuka
O-4-008	willDo Kiyosumi	O-5-013	willDo Kanayama masaki	F-4-013	Dream Heights
O-4-009	Turkey's Denen-Chofu No.2	O-6-014	willDo Ichioka	F-4-014	Green Hills Asukayama
O-4-010	willDo Honchiba	O-6-015	willDo Ebie	F-4-015	Oji Heights
O-4-011	willDo Yokohama Minami	O-6-016	willDo Imafuku nishi	F-4-016	Sakagami Royal Heights No.II
O-4-012	Site Pia	O-6-017	Maison Flora	F-4-017	willDo Todoroki
O-4-039	Toshin Shoto Mansion	O-6-018	Wind Four Minami-Honmachi	F-4-018	Chez Moi Sakuragaoka
O-4-069	College Square Kitaikebukuro	O-9-053	willDo Nakasu	F-4-019	Libest Nishi-chiba
O-4-070	College Square Tobu Nerima	F-2-001	Royal Garden Shinrin Koen	F-4-020	Corinne Tsudanuma
O-4-071	College Square Akatsuka	F-2-002	Green Park Komatsujima	F-4-022	Chigasaki Daikan Plaza
O-4-072	College Square Higashikurume	F-2-003	Dia Palace Izumizaki	F-5-023	willDo Temmacho
O-4-073	College Square WasedaII	F-2-004	willDo Takasago	F-5-024	Grace Mansion Fuji
O-4-074	College Square Myogadani	F-4-005	Johanna Mansion	F-6-026	willDo Nishi Akashi
O-4-075	College Square Shinkoiwa	F-4-006	Iruma-ekimae Building		

(Note2) Joint mortgage properties (fixed pledges or fixed mortgages) for Term Loans A5, A5-2, A6, A7, B4, BC1, BC2 and C4.

物件番号	物件名称	物件番号	物件名称	物件番号	物件名称
O-2-065	Grand Mason Shichifuku	O-5-082	willDo Yokkaichi Unomori	O-6-083	willDo Sannomiya East
O-5-063	willDo Inaei	O-6-029	Grand Mer Higashi Yodogawa	O-6-084	willDo Kamishinjyo wI
O-5-081	willDo Matsubara	O-6-044	willDo Dainichi	F-4-036	Lofty Hirai

JBA 1 month yen TIBOR rate of two business days prior to the interest payment dates will be used as the base rate to calculate the applicable interest rate for the calculation periods. Please refer to the JBA website (http://www.zenginkyo.or.jp/en/tibor/) for JPY TIBOR details.

II. Outstanding balance of borrowing by lender

Lender	Before the Borrowings	Amount of the Borrowings	After the Borrowings (March 6, 2014)	
	Balance (JPY million)	Balance (JPY million)	Balance (JPY million)	Share
The Bank of Tokyo-Mitsubishi UFJ, Ltd (agent)	22,486	2,530	25,016	27.6%
Aozora Bank, Ltd.	18,343	800	19,143	21.1%
Sumitomo Mitsui Banking Corporation	14,964	1,770	16,734	18.4%
Resona Bank, Limited	7,562	770	8,332	9.2%
Shinsei Bank, Limited	5,495	1,770	7,265	8.0%
Mitsubishi UFJ Trust and Banking Corporation	2,547	1,160	3,707	4.1%
ORIX Bank Corporation	1,877	770	2,647	2.9%
The Bank of Fukuoka, Ltd.	1,337	1,160	2,497	2.8%
The Higashi-Nippon Bank, Limited	1,500	770	2,270	2.5%
The Norinchukin Bank	1,950	-	1,950	2.1%
The Musashino Bank, Ltd	808	-	808	0.9%
Sumitomo Mitsui Trust Bank, Limited	418	-	418	0.5%
Total	79,292	11,500	90,792	100.0%

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III. Status of the balance before and after Borrowings (interest-bearing debt ratio)

(Unit: JPY million)

	Before	After	Change
Short-term borrowings (Note 1)	1,385	1,385	-
Long-term borrowings (Note 1)	77,907	89,407	11,500
(Long-term borrowings due within one year) (Note 2)	14,165	14,165	-
Total borrowings	79,292	90,792	11,500
Investment corporation bonds	-	-	-
Total interest-bearing debt	79,292	90,792	11,500
Interest-bearing debt ratio (Note 3)	46.9%	48.2%	1.3%

(Note 1) The periods for short-term borrowings are within one year and long-term borrowings are over one year.
(Note 2) Long-term borrowing due within one year represents the borrowing due within one year from drawdown date of the Borrowings.
(Note 3) Interest-bearing debt ratio = Total interest-bearing debt / Total assets × 100.
(Note 4) Amounts are rounded down to the nearest million yen. Ratios are rounded off to one decimal place.

IV. Other

As for risks pertaining to the repayment, etc. of the Borrowings, there are no important changes to the "Investment risks" mentioned in the most recent semiannual securities report (submitted on June 20, 2013).

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