

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

February 26, 2010

To All Concerned Parties:

REIT Issuer

Japan Rental Housing Investments Inc.

Clover Shibakoen Bldg.

1-3-12 Shiba-Koen,

Minato-ku, Tokyo, Japan

Takao Sakuma, Executive Director

(Securities Code: 8986)

Asset Management Company

Mi-Casa Asset Management Inc.

Yutaka Higashino, President and Chief Executive Officer

Inquiries: Aki Sadahiro, Manager

TEL: +81-3-5225-5600

REIT Issuer

Prospect Reit Investment Corporation

2-2-1 Marunouchi,

Chiyoda-ku, Tokyo, Japan

Takeo Nishiyoshi, Executive Director

(Securities Code: 8969)

Asset Management Company

Prospect Reit Advisors, Co.,Ltd.

Akio Tsukishima, President and Chief Executive Officer

Inquiries: Shinji Takase, General Manager, Finance Department

TEL: +81-3-5221-8080

Notice Concerning Execution of Letter of Intent regarding Integration of Asset Management Companies

Japan Rental Housing Investments Inc. (“JRH”), Mi-Casa Asset Management Inc. (“MAM”) which is an asset management company of JRH, Prospect Reit Investment Corporation (“PRI”), and Prospect Reit Advisors, Co., Ltd. (“PRA”), which is an asset management company of PRI have entered into the Letter of Intent regarding the merger (the “LOI on REIT Merger”) of both investment corporations (the “REIT Merger”) as separately announced in the “Notice Regarding Execution of Letter of Intent regarding Merger of Investment Corporation” dated February 26, 2010.

Associated with this, we hereby announce that MAM, PRA and K.K. Prospect (“KKP”), which is a sole shareholder of PRA have entered into the Letter of Intent regarding Integration of Asset Management Companies (the “LOI on Management Companies Integration”) regarding all issued shares of PRA held by

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KKP shall be transferred to MAM and PRA shall be merged to MAM.

1. The background of the merger of asset management companies

Based on the LOI on REIT Merger signed as of today, JRH and PRI will merge on July 1, 2010 as of the effective date of the REIT Merger. MAM, which is an asset management company of JRH, a surviving corporation of the REIT Merger, shall conduct asset management of the existing corporation of the merger. In correspondence, we have considered that carrying out the integration of asset management would be optimal approach to achieve the smooth transfer of asset management under the REIT Merger and to accomplish the effective asset management of JRH after the REIT Merger.

2. Outline of the LOI on Management Companies Integration

It is agreed that KKP shall transfer all issued share of PRA to MAM (the “Share Transfer”) as of the effective date of the REIT Merger, and the merger which is an absorption-type merger with MAM as the surviving company and PRA as the disappearing company (the “Management Companies Merger”) shall conducted as of the same date under the condition that the Share Transfer has been conducted. In addition, under the LOI on Management Companies Integration, there is a condition such as the conditions precedent of the REIT Merger has been satisfied and the REIT Merger has been effective.

3. Purpose of the merger

Please refer to “1. The background of the merger of asset management companies”.

4. Overview on Conflict of Interest

There is no capital tie between MAM and PRA. The Shares Transfer shall take place among independent parties and there is no conflict of interest.

The Share Transfer and the Management Companies Merger will be effective conditional that the REIT Merger becomes effective. Until up to the effective date of the REIT Merger, MAM and PRA shall independently continue to act as the asset management company of their respective investment corporation, and the Management Companies Merger and the REIT Merger will take place on the same date. Therefore, it is not conceivable that there is any conflict of interest between JRH and PRI during both periods from the date hereof until the consummation of the Share Transfer and the Management Companies Merger and the period after such transactions.

5. Schedule of the merger

(1) Schedule

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Execution date of transfer of share agreement	2010/3 (tentative)
Execution date of asset management companies merger agreement	2010/3 (tentative)
Date of transfer of shares	2010/7/1 (tentative)
Effective date of the asset management companies merger	2010/7/1 (tentative)

(2) Merger-Type

Please refer to “2.Outline of the LOI on Management Companies Integration”.

(3) Allotment

On the effective date of the Management Companies Merger, MAM shall hold 100% shares of PRA. Therefore, the allotment of share shall not be conducted under the Management Companies Merger.

6. Overview of related parties

MAM's Summary

(1)	Name	Mi-Casa Asset Management Inc.
(2)	Location	1-3-12 Shiba-Koen, Minato-ku, Tokyo
(3)	Main Business	Asset Management Real Estate Transaction Property Management Other business related to the above
(4)	Capital Amount	380 million yen
(5)	Net Assets	175 million yen
(6)	Total Assets	569 million yen
(7)	Date Established	2005/2/25
(8)	Fiscal Period Ended	March
(9)	Representative	President and CEO Yutaka Higashino
(10)	Number of Employees	26 staffs
(11)	Number of Shares Issued	9,200 units
(12)	Unitholders and their holdings	AppleRingo Holdings B.V. 57.6% AppleRingo Investments B.V. 35.8% The Bank of Tokyo-Mitsubishi UFJ, Ltd. 3.2% Sumitomo Mitsui Banking Corporation 3.2%
(13)	Main Financing Bank	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation

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(14)	Relationship among investment corporation and asset management companies	There are no capital or personnel ties between MAM and JRH as of March 31, 2009.
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PRA's Summary

(1)	Name	Prospect Reit Advisors, Co., Ltd.
(2)	Location	2-2-1 Marunouchi, Chiyoda-ku, Tokyo
(3)	Main Business	Asset Management Property Management Real Estate Transaction Other business related to the above
(4)	Capital Amount	200 million yen
(5)	Net Assets	216 million yen
(6)	Total Asset	226 million yen
(7)	Date Established	2004/9/7
(8)	Fiscal Period Ended	March
(9)	Representative	President and CEO Akio Tsukishima
(10)	Number of Employees	12 staffs
(11)	Number of Units Issued	4,000 units
(12)	Unitholder	Prospect Co., Ltd. (100%)
(13)	Main Financing Bank	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
(14)	Relationship among investment corporation and asset management companies	PRA owns 202 units (0.27%) of PRI's share as of March 31, 2009.

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KKP's Summary

(1)	Name	K.K. Prospect	
(2)	Location	2-2-1 Marunouchi, Chiyoda-ku, Tokyo	
(3)	Main Business	Financial Product Transaction under 2 nd License, Advisory, Agency Business, Property Management, Real Estate Transaction, Real Estate Sales & Purchase, Brokerage	
(4)	Date Established	2001/3/13	
(5)	Representative	President and CEO Curtis Freeze	
(6)	Capital Amount (As of today)	4,353,785 thousand yen	
(7)	Number of Shares Issued	62,016 units	
(8)	Fiscal Period Ended	March	
(9)	Relation with JRH	Capital Investment	-
		Business Transaction	-
		Personnel	-

7. Post merger status

- (1) Name : Mi-Casa Asset Management Inc. (tentative)
- (2) Main Business : TBD
- (3) Location : TBD
- (4) Representative : TBD
- (5) Capital Amount : TBD
- (6) Total Asset : TBD
- (7) Fiscal Year : March

8. Future Outlook

- (1) Amendment to Asset Management agreement
TBD
- (2) Amendment to the organization
TBD
- (3) Amendment to formation of investment decision making
TBD
- (4) Amendment to rules on compliance/conflict of interest

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TBD

(5) Amendment to investment policy

TBD

(6) Amendment to the contents of agreements entered with sponsors

TBD

The execution of agreement shall follow the rules and make necessary filings in accordance with Financial Instrument and Exchange Act and Building Lots and Buildings Transaction Business Act (Takuchi-tatemono-torihikigyohou) and other applicable guidelines and rules. The timeline and details of filings shall be notified once it has been decided.

End

This press release shall be released to: Kabuto Club, media members of Land and Transport, media members of Ministry of Land, Infrastructure, Transport and Tourism.

Homepages of both investment corporations

Japan Rental Housing Investments Inc.

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

Prospect Reit Investment Corporation

<http://www.prospect-reit.co.jp/>