

March 15, 2016

To All Concerned Parties

REIT Issuer:
Japan Rental Housing Investments Inc.
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Notice Concerning Refinancing of Loans

Japan Rental Housing Investments Inc. (hereinafter referred to as the “Investment Corporation”) announces that the Investment Corporation concluded contracts concerning refinancing of the existing borrowings (hereinafter referred to as the “Refinancing”) at a meeting of its Board of Directors held today.

I. Borrowing of Fund

1. Reason for the Borrowing

The Investment Corporation has decided to enter into new borrowings for purposes of refinancing the existing borrowings, total amount of approximately 2.3 billion yen, which are due for repayment on March 22 and March 25, 2016. For details on the repayment, please refer to “II. Summary of the Existing Debt Subject to the Refinancing.”

2. Summary of Borrowings

The Investment Corporation has decided to enter into new borrowings, amount of approximately 2.3 billion yen, from a combination of 3 financial institutions with which the Investment Corporation currently has outstanding borrowings through a syndicated loan. The Bank of Tokyo-Mitsubishi UFJ, Ltd. will be the arranger and agent.

<Term Loan T 1st Term Loan>

(1) Lender	The Norinchukin Bank
(2) Amount of borrowing	1,170 million yen
(3) Drawdown date	March 22, 2016
(4) Due date	March 23, 2018
(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	1-month JBA Japanese Yen TIBOR+0.35%
(7) Method	Borrowings under individual loan agreements (Term Loan Agreement T) to be concluded with the lenders specified in (1) above on March 15, 2016.
(8) Repayment conditions	Lump-sum repayment on the due date
(9) Collateral	Unsecured and unguaranteed

<Term Loan T 2nd Term Loan>

(1) Lender	The Bank of Tokyo-Mitsubishi UFJ, Ltd , Sumitomo Mitsui Banking Corporation
(2) Amount of borrowing	1,200 million yen
(3) Drawdown date	March 25, 2016
(4) Due date	June 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	1-month JBA Japanese Yen TIBOR+0.65%
(7) Method	Borrowings under individual loan agreements (Term Loan Agreement T) to be concluded with the lenders specified in (1) above on March 15, 2016.
(8) Repayment conditions	Lump-sum repayment on the due date
(9) Collateral	Unsecured and unguaranteed

1-month JBA Japanese Yen TIBOR rate as of two business days prior to the immediately preceding interest payment dates will be used as the base rate to calculate the applicable interest rate for the interest calculation periods. Please refer to the JBA TIBOR Administration website (<http://www.jbatibor.or.jp/english/rate/>) for 1-month JBA Japanese Yen TIBOR information.

II. Summary of the Existing Borrowings Subject to the Refinancing

<Term Loan J 1st Term Loan>

Lender	The Norinchukin Bank
Balance of borrowings	1,170 million yen
Drawdown date	March 26, 2014
Due date	March 22, 2016
Repayment conditions	Lump-sum repayment on the due date

<Term Loan R 2nd Term Loan>

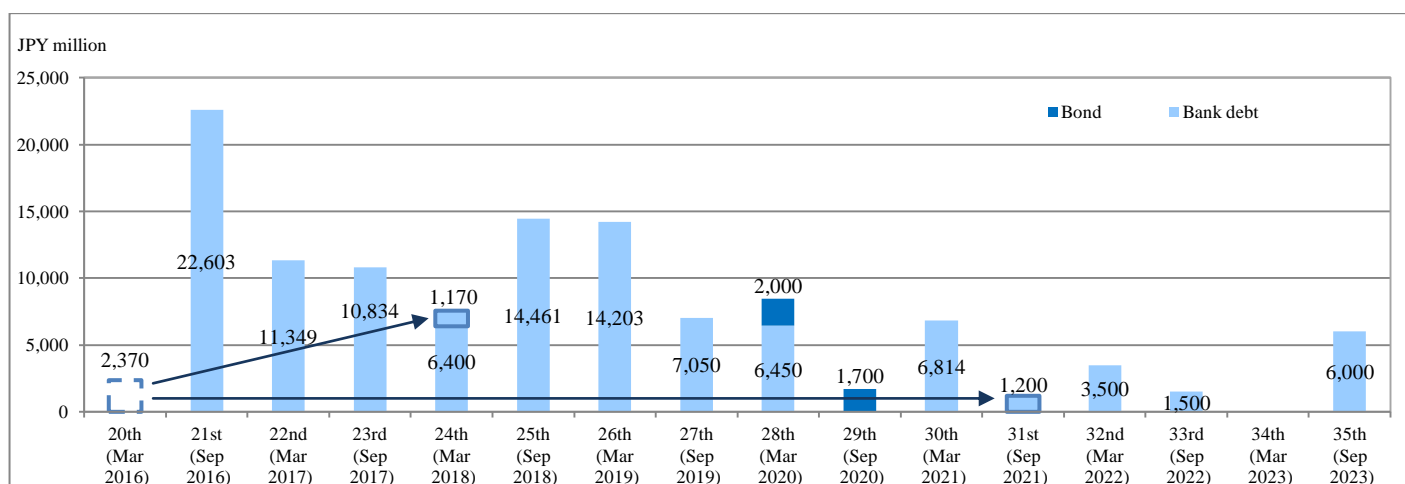
Lender	The Bank of Tokyo-Mitsubishi UFJ, Ltd , Sumitomo Mitsui Banking Corporation
Balance of borrowings	1,200 million yen
Drawdown date	June 1, 2015
Due date	March 25, 2016
Repayment conditions	Lump-sum repayment on the due date

III. Outstanding Balance of Borrowing by Lender

Lender	Before the Refinancing	The Refinancing			After the Refinancing (March 25, 2016)	
	Balance (JPY million)	(A) Repayment amount (JPY million)	(B) Balance of Borrowing (JPY million)	(B) – (A) Change (JPY million)	Balance (JPY million)	Share (%)
The Bank of Tokyo-Mitsubishi UFJ, Ltd	33,178	600	600	-	33,178	29.2
Sumitomo Mitsui Banking Corporation	20,563	600	600	-	20,563	18.1
Aozora Bank, Ltd.	15,642	-	-	-	15,642	13.8
Resona Bank, Limited	11,062	-	-	-	11,062	9.7
Shinsei Bank, Limited	10,495	-	-	-	10,495	9.2
Mitsubishi UFJ Trust and Banking Corporation	5,464	-	-	-	5,464	4.8
The Bank of Fukuoka, Ltd.	4,337	-	-	-	4,337	3.8
ORIX Bank Corporation	3,647	-	-	-	3,647	3.2
The Higashi-Nippon Bank, Limited	2,270	-	-	-	2,270	2.0
The Norinchukin Bank	1,675	1,170	1,170	-	1,675	1.5
Development Bank of Japan Inc.	1,000	-	-	-	1,000	0.9
The Hyakugo Bank, Ltd.	1,000	-	-	-	1,000	0.9
The Hiroshima Bank, Ltd.	1,000	-	-	-	1,000	0.9
The Kagawa Bank, Ltd.	700	-	-	-	700	0.6
The Ashikaga Bank, Ltd.	500	-	-	-	500	0.4
The Senshu Ikeda Bank, Ltd.	500	-	-	-	500	0.4
The Nomura Trust and Banking Co., Ltd.	500	-	-	-	500	0.4
Total Balance of Bank Debt	113,535	2,370	2,370	-	113,535	100.0
Investment Corporation Bond	3,700	-	-	-	3,700	-
Total Balance of Interest Bearing Debt	117,235	2,370	2,370	-	117,235	-

(Note) Amounts are rounded down to the nearest million yen. Ratios are rounded off to one decimal place.

IV. Borrowings by Repayment Date



V. Status of the Balance and Interest-bearing Debt Ratio Before and After the Refinancing

(Unit: JPY million)

	Before the Refinancing	After the Refinancing	Change
Short-term borrowings (Note 1)	9,200	8,000	-1,200
Long-term borrowings (Note 1)	104,335	105,535	1,200
(Long-term borrowings due within one year) (Note 2)	27,122	25,952	-1,170
Total borrowings	113,535	113,535	-
Investment corporation bonds	3,700	3,700	-
Total interest-bearing debt	117,235	117,235	-
Interest-bearing debt ratio (Note 3)	51.3%	51.3%	-

(Note 1) The debt 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 of “Before the Refinancing” is calculated by dividing the balance of interest-bearing debt before the Refinancing by the amount obtained by adding borrowed amount in the 20th fiscal period for new property acquisitions to the total asset amount posted on the balance sheet as of the end of the 19th fiscal period, and then multiplying the amount by 100. Interest-bearing debt ratio of “After the Refinancing” is calculated by dividing the balance of interest-bearing debt after the Refinancing by the amount obtained by adding borrowed amount in the 20th fiscal period for new property acquisitions to the total asset amount posted on the balance sheet as of the end of the 19th fiscal period, and then multiplying the amount by 100. Therefore, the figures are different from the total asset LTV (=the amount of interest-bearing debt/total asset).

VI. Forecasts

There is no material impact from the Refinancing on asset management conditions for the fiscal period ending March 31, 2016 (October 1, 2015 to March 31, 2016) and the fiscal period ending September 30, 2016 (April 1, 2016 to September 30, 2016).

VII. Other

As for risks pertaining to the Refinancing, there are no material changes to the “Investment risks” stated in the most recent semiannual securities report (submitted on December 18, 2015).