

December 20, 2018

To All Concerned Parties

REIT Issuer: Japan Rental Housing Investments Inc.
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Ikuo Shoda, Executive Director
(Securities Code: 8986)
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Notice Concerning Interest-Rate Swap Agreements

Japan Rental Housing Investments Inc. (the “Investment Corporation”) hereby announces that the Investment Corporation executed interest-rate swap agreements. Details are provided as follows.

I. Purpose of the Interest-Rate Swap Agreements

The Investment Corporation has executed interest-rate swap agreements to fix the interest rate for the JPY 13,703 million yen borrowings at floating interest rate out of the total JPY 14,203 million borrowings to be refinanced on December 25, 2018 as a hedge against possible increase of the interest rates in future.

II. Summary of the Interest-Rate Swap Agreements

Borrowing Loan:	Term Loan CC 1st Term Loan (Please refer to the press release “Notice Concerning Refinancing of Loans” dated December 19, 2018)
Counterparty:	Nomura Securities Co., LTD.
Notional Amount:	2,000 million yen
Interest Rate:	Fixed interest rate payable: 0.0845% Floating interest rate receivable: Base rate (1-month JBA Japanese Yen TIBOR)
Commencement Date:	December 25, 2018
Termination Date:	December 30, 2022
Payment Date:	First interest payment on January 22, 2019, and on the 22nd of each month (if not a business day, the next business day, and if the next day falls in the next month, the business day next preceding will be the interest payment date).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.4220%.

(Note2) The base rate shall be calculated based on JPY TIBOR for 1-month which Japanese Bankers Association (JBA) releases two business days preceding the first day of each interest calculation period. JPY TIBOR appears on website of JBA (<http://www.jbatibor.or.jp/english/rate/>).
(The same shall apply hereinafter.)

Borrowing Loan:	Term Loan CC 2nd Term Loan (Please refer to the press release “Notice Concerning Refinancing of Loans” dated December 19, 2018)
Counterparty:	Nomura Securities Co., LTD.
Notional Amount:	5,540 million yen
Interest Rate:	Fixed interest rate payable: 0.1035% Floating interest rate receivable: Base rate (1-month JBA Japanese Yen TIBOR)
Commencement Date:	December 25, 2018
Termination Date:	March 29, 2024
Payment Date:	First interest payment on January 22, 2019, and on the 22nd of each month (if not a business day, the next business day, and if the next day falls in the next month, the business day next preceding will be the interest payment date).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.4735%.

English Translation

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

Borrowing Loan:	Term Loan CC 3rd Term Loan (Please refer to the press release “Notice Concerning Refinancing of Loans” dated December 19, 2018)
Counterparty:	Mizuho Bank, Ltd.
Notional Amount:	6,163 million yen
Interest Rate:	Fixed interest rate payable: 0.1935% Floating interest rate receivable: Base rate (1-month JBA Japanese Yen TIBOR)
Commencement Date:	December 25, 2018
Termination Date:	December 30, 2026
Payment Date:	First interest payment on January 22, 2019, and on the 22nd of each month (if not a business day, the next business day, and if the next day falls in the next month, the business day next preceding will be the interest payment date).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.6760%.

III. Forecast

There is minimal impact from these interest-rate swap agreements on asset management conditions for the fiscal period ending March 31, 2019 (October 1, 2018 to March 31, 2019) and the fiscal period ending September 30, 2019 (April 1, 2019 to September 30, 2019).

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