

January 8, 2013

To All Concerned Parties

REIT Issuer:  
Japan Rental Housing Investments Inc.  
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Minato-ku, Tokyo 105-0004  
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### **Notice Concerning Interest-Rate Swap Agreement**

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

#### **I. Purpose of the Interest-Rate Swap Agreement**

The Investment Corporation has decided to conclude an interest-rate swap agreement as a hedge against possible increase of the interest rates in future. This interest-rate swap agreement is not for the specific borrowing, is for the amount of 5billion yen out of the entire borrowing.

#### **II. Summary of the Interest-Rate Swap Agreement**

Counterparty:	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Notional Amount:	5billion yen
Interest Rate:	Pay a fixed interest rate: 0.3475%
	Receive a floating interest rate: Base rate (JPY TIBOR for 1-month of JBA)
Commencement Date:	January 22, 2013
Termination Date:	January 22, 2018
Payment Date:	First interest payment on February 22, 2013, and at 22 <sup>nd</sup> of every month (on the next business date, if 22 <sup>nd</sup> is a non-business day)

Note: Based on this interest-rate swap agreement, basically, the base rate for the amount of 5billion yen out of the entire borrowing is fixed at 0.3475%.

Note: The base rate shall be calculated based on JPY TIBOR for 1-month which Japanese Bankers Association (JBA) releases two business days prior to each payment date. JPY TIBOR appears on website of JBA (<http://www.zenginkyo.or.jp/en/tibor/>).