

September 26, 2019

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 1,300 million yen borrowings at floating interest rate out of the total JPY 2,300 million borrowings to be refinanced on September 30, 2019 as a hedge against possible increase of the interest rates in future.

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

|                    |   |
|--------------------|---|
| Borrowing Loan:    | Term Loan FF 1st Term Loan (Please refer to the press release “Notice Concerning Refinancing of Loans” dated September 25, 2019)  |
| Counterparty:      | Nomura Securities Co., Ltd.   |
| Notional Amount:   | 1,300 million yen   |
| Interest Rate:     | Fixed interest rate payable: 0.108%<br>Floating interest rate receivable: Base rate (1-month JBA Japanese Yen TIBOR)  |
| Commencement Date: | September 30, 2019  |
| Termination Date:  | September 30, 2027  |
| Payment Date:      | First interest payment on October 23, 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 0.5905%.

(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.)

#### **III. Forecast**

There is minimal impact from these interest-rate swap agreements on asset management conditions for the fiscal period ending September 30, 2019 (April 1, 2019 to September 30, 2019) and the fiscal period ending March 31, 2020 (October 1, 2019 to March 31, 2020).

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