

January 27, 2020

To All Concerned Parties

REIT Issuer: Japan Rental Housing Investments Inc.
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(Securities Code: 8986)
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Notice Concerning Refinancing of Loans

Japan Rental Housing Investments Inc. (hereinafter referred to as the “Investment Corporation”) announced today its decisions regarding debt financing below.

I. The Refinancing

1. Borrowing of Fund

(1) Reason for the Borrowing

The fund procured from the debt financing will be used to redeem the existing bond (Unsecured Investment Corporation Bond #1) due on February 13, 2020.

(2) Summary of Borrowings

The Investment Corporation has decided to borrow a total of JPY 2,000 million from MUFG Bank, Ltd. .

<Term Loan GG>

(1) Scheduled Lender (Note)	MUFG Bank, Ltd.
(2) Amount of borrowing	JPY 2,000 million
(3) Scheduled drawdown date	February 12, 2020
(4) Due date	January 29, 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 in the next month, the business day immediately prior will be the interest payment date)
(6) Interest rate	1-month JBA Japanese Yen TIBOR+0.3000%
(7) Method	Borrowings under individual loan agreements (Term Loan Agreement GG) to be concluded with the lenders specified in (1) above on February 7, 2020.
(8) Repayment conditions	Lump-sum repayment on the due date
(9) Collateral	Unsecured and unguaranteed

(Note) The contracts have not yet been signed as of today. Therefore it is stated as “Scheduled”.

The 1-month JBA Japanese Yen TIBOR rate as of two business days prior to the immediately preceding interest payment date 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.

2. Details of the Existing Bond to be Redeemed

(1) Name of the Investment Corporation Bonds	First Unsecured Investment Corporation Bond of Japan Rental Housing Investments Inc. (with special pari passu conditions among specified investment corporate bonds)
(2) Total amount to be paid in	JPY 2,000 million
(3) Drawdown Date	February 13, 2015
(4) Due date	February 13, 2020
(5) Interest rate	0.69% per annum

English Translation

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

II. Status of the Balance and Interest-bearing Debt Ratio Before and After the Financing

(Unit: JPY million)

	Before the Financing (February 10, 2020)	After the Early Repayment(Note3) (February 13, 2020)	Change
Short-term borrowings (Note 1)	–	2,000	2,000
Long-term borrowings (Note 1)	101,787	101,787	–
(Long-term borrowings due within one year) (Note 2)	13,799	13,799	–
Total borrowings	101,787	103,787	2,000
Investment corporation bonds	13,800	11,800	▲ 2,000
Total interest-bearing debt	115,587	115,587	–

(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 borrowings due within one year represent borrowings due within one year from the respective dates indicated above.

(Note3) As of February 13, 2020

III. Forecasts

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

IV. 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 December 19, 2019).

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