

March 31, 2020

To All Concerned Parties

REIT Issuer: Japan Rental Housing Investments Inc.
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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 11,500 million yen borrowings at floating interest rate out of the total JPY 27,300 million borrowings to be borrowed on April 2, 2020 as a hedge against possible increase of the interest rates in future.

II. Summary of the Interest-Rate Swap Agreements

Borrowing Loan:	Individual loan agreements signed with Mizuho Bank, Ltd. on March 26, 2020 (Please refer to the press release “Notice Concerning Borrowing of Funds” dated March 24, 2020)
Counterparty:	Nomura Securities Co., Ltd.
Notional Amount:	5,000 million yen
Interest Rate:	Fixed interest rate payable: 0.086% Floating interest rate receivable: Base rate (3-month JBA Japanese Yen TIBOR)
Commencement Date:	April 2, 2020
Termination Date:	March 31, 2023
Payment Date:	First on June 30, 2020, and thereafter on the last day of March, June, September and December of each year, and on the expiration date (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).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.3735%.

(Note2) The base rate shall be calculated based on JPY TIBOR for 3-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:	Individual loan agreements signed with Sumitomo Mitsui Trust Bank on March 26, 2020 (Please refer to the press release “Notice Concerning Borrowing of Funds” dated March 24, 2020)
Counterparty:	Nomura Securities Co., Ltd.
Notional Amount:	1,000 million yen
Interest Rate:	Fixed interest rate payable: 0.090% Floating interest rate receivable: Base rate (3-month JBA Japanese Yen TIBOR)
Commencement Date:	April 2, 2020
Termination Date:	March 29, 2024
Payment Date:	First on June 30, 2020, and thereafter on the last day of March, June, September and December of each year, and on the expiration date (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).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.4275%.

English Translation

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

Borrowing Loan:	Individual loan agreements signed with Mizuho Bank, Ltd. on March 26, 2020 (Please refer to the press release “Notice Concerning Borrowing of Funds” dated March 24, 2020)
Counterparty:	Mizuho Bank, Ltd.
Notional Amount:	5,500 million yen
Interest Rate:	Fixed interest rate payable: 0.160% Floating interest rate receivable: Base rate (3-month JBA Japanese Yen TIBOR)
Commencement Date:	April 2, 2020
Termination Date:	March 30, 2029
Payment Date:	First on June 30, 2020, and thereafter on the last day of March, June, September and December of each year, and on the expiration date (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).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.6925%.

III. Forecast

There is minimal impact from these interest-rate swap agreements 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).

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