

August 4, 2022

**For Immediate Release**

Advance Residence Investment Corporation  
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**Notice Concerning Debt Financing and Redemption of Bond**

Advance Residence Investment Corporation (ADR) announced today its decisions regarding debt financing and redemption of bond as detailed below.

1. Debt Financing (drawdown date: August 16, 2022)

(1) Details of the Debt Financing

(JPY:million)

No.	Lender	Planned Drawdown Date	Scheduled Amount	Interest Rate	Principal Repayment date	Repayment Period	Principal Repayment	Collateral/ Guarantee
1	The Norinchukin Bank	August 16, 2022	1,000	Base rate <sup>(Note1)</sup> +0.210%	August 16, 2032	10.0 year	Pay in full on the maturity date	Unsecured Non-guaranteed
2			1,000	Base rate <sup>(Note2)</sup> +0.110%	August 16, 2023	1.0 year		
	Total or Weighted Average		2,000			5.5 year		

(Note1) • Interest payment dates are the last business day of January, April, July, October, starting October 31, 2022 and ending on the principal repayment date.

• The JBA 3 month yen TIBOR rate of two business days prior to the latest interest payment date will be used as the base rate to calculate the applicable interest rate for the current calculation period. If the calculation period is less than 3 month, the accrued interest will be calculated using the base rate applicable and according to the method described in the contract.

• The floating interest rate for the loan will not be announced in the future. Please refer to JBA website (<https://www.jbatibor.or.jp/english/>) for the 3 month yen TIBOR.

(Note2) • Interest payment dates are the last business day of every month starting August 31, 2022 and ending on the principal repayment date.

• The JBA 1 month yen TIBOR rate of two business days prior to the latest interest payment date will be used as the base rate to calculate the applicable interest rate for the current calculation period. If the calculation period is less than 1 month, the accrued interest will be calculated using the base rate applicable and according to the method described in the contract.

• The floating interest rate for the loan will not be announced in the future. Please refer to JBA website (<https://www.jbatibor.or.jp/english/>) for the 1 month yen TIBOR.

(2) Purpose of the Debt Financing

The fund procured from the debt financing will be used to redeem the existing bond (ADR Unsecured Bond #26) due on August 17, 2022

(3) Scheduled Contract Date of the Debt Financing

August 12, 2022

2. Details of the Existing Bond to be Redeemed

(JPY:million)

Name of Investment Corporation Bond	Drawdown Date	Amount	Interest Rate (fixed rate)	Principal Repayment Date	Repayment Period	Principal Repayment	Collateral/ Guarantee
ADR Unsecured Bond #26 (with <i>Pari Passu</i> clause among specified investment corporation bonds)	February 17, 2017	2,000	0.1800%	August 17, 2022	5.5year	Pay in full on the maturity date	Unsecured Non-guaranteed

Reference Material: Debt Financing Balance (As of August 17, 2022)

(JPY:million)

	Before Refinancing <sup>(Note3)</sup>	After Refinancing	Increase (Decrease)
Short-term Loans <sup>(Note4)</sup>	1,000	1,000	1,000
Long-term Loans <sup>(Note4)</sup>	190,209	191,209	1,000
Total Loans	191,209	193,209	2,000
Corporate Investment Bonds	36,600	34,600	(2,000)
Total interest-bearing debt	227,809	227,809	-

(Note3) As of August 15, 2022

(Note4) Short-term Loans are Loans with maturity dates within one year from drawdown date and long-term Loans are Loans with maturity dates that are more than one year away.

**About Advance Residence Investment Corporation**

Advance Residence Investment Corporation is the largest J-REIT specializing in residential properties and is managed by ITOCHU REIT Management Co., Ltd. (IRM), the asset management company of the ITOCHU Group, investing in over 270 rental apartments located mostly in central Tokyo and in other major cities throughout Japan (AUM over 460 billion yen). ADR can be expected have a stable dividend in the long-term and can be considered as a defensive J-REIT, on back of the stable income from residential assets and with the largest dividend reserve among J-REITs.

**"Advance" is the common brand name of the real estate investment corporation managed by ITOCHU REIT Management Co., Ltd.**

ADR's website: <https://www.adr-reit.com/en/>

IRM's website: <https://www.itc-rm.co.jp/en/>