

October 20, 2022

For Immediate Release

Advance Residence Investment Corporation
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Notice Concerning Debt Financing and Repayment of Loan

Advance Residence Investment Corporation (ADR) announced today its decisions to borrow funds to repay loan coming due.

1. Debt Financing (drawdown date: October 31, 2022)

(1) Details of the Debt Financing

(JPY:million)

Lender	Planned Drawdown Date	Scheduled Amount	Interest Rate	Principal Repayment date	Repayment Period	Principal Repayment	Collateral/ Guarantee
Aozora Bank, Ltd.	October 31, 2022	1,000	Unfixed ^(Note1)	October 31, 2031	9.0 year	Pay in full on the maturity date	Unsecured Non-guaranteed

(Note1) • Interest payment dates are the last business day of January, April, July, October, starting January 31, 2023 and ending on the principal repayment date.

• The interest rate for the loan will be announced separately.

(2) Purpose of the Debt Financing

To repay existing Loan due on October 31, 2022

(3) Submission date

October 27, 2022

2. Details of the Loan to be Repaid

(JPY:million)

Lender	Planned Drawdown Date	Scheduled Amount	Interest Rate	Principal Repayment date	Repayment Period	Principal Repayment	Collateral/ Guarantee
Aozora Bank, Ltd.	October 31, 2014	1,000	0.84950% ^(Note2)	October 31, 2022	8.0 year	Pay in full on the maturity date	Unsecured Non-guaranteed

(Note2) The interest rate is fixed through interest rate swap.

Reference Material: Debt Financing Balance (As of October 31, 2022)

(JPY:million)

	Before Refinancing ^(Note3)	After Refinancing ^(Note4)	Increase (Decrease)
Short-term Loans ^(Note5)	1,000	0	(1,000)
Long-term Loans ^(Note5)	192,709	193,709	1,000
Total Loans	193,709	193,709	-
Corporate Investment Bonds	34,600	34,600	-
Total interest-bearing debt	228,309	228,309	-

(Note3) As of October 30, 2022

- There will be no increase or decrease in loans and investment corporation bonds by October 30, 2022.

(Note4) It is assumed that the interest-bearing debts will change as follows by October 31, 2022.

- As announced in the "Notice Concerning Debt Financing and Early Repayment of Loan" dated October 17, 2022, the early repayment of 1,000 million yen in borrowings maturing on August 16, 2023 will be executed on October 31, 2022, using long-term borrowings of the same amount.
- There will be no increase or decrease in loans and investment corporation bonds other than the above.

(Note5) 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/>