

November 7, 2022

For Immediate Release

Advance Residence Investment Corporation
Securities Code : 3269
1-105 Kanda-Jinbocho, Chiyoda-ku, Tokyo
Wataru Higuchi, Executive Director

Asset Management Company:
ITOCHU REIT Management Co., Ltd.
Junichi Shoji, Representative Director, President
& CEO

Inquiries:
Isao Kudo, Executive Officer
TEL. +81-3-6821-5483

Notice Concerning Debt Financing and Repayment of Loans

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

1. Debt Financing (drawdown date: November 15, 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 | Sumitomo Mitsui Banking Corporation | November 15, 2022 | 1,550 | Unfixed (Note1) | April 30, 2026 | 3.5 year | Pay in full on the maturity date | Unsecured Non-guaranteed |
| 2 | | | 2,000 | | November 13, 2026 | 4.0 year | | |
| | Total or Weighted Average | | 3,550 | | | 3.8 year | | |

(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 loans will be announced separately.

(2) Purpose of the Debt Financing

To repay existing Loan due on November 15, 2022

(3) Scheduled Contract Date of the Debt Financing

November 11, 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 |
|-------------------------------------|-----------------------|------------------|------------------|--------------------------|------------------|----------------------------------|--------------------------|
| Sumitomo Mitsui Banking Corporation | November 15, 2013 | 3,550 | 1.36760% (Note2) | November 15, 2022 | 9.0 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 November 15, 2022)

(JPY:million)

| | Before Refinancing ^(Note3) | After Refinancing | Increase (Decrease) |
|-------------------------------------|---------------------------------------|-------------------|---------------------|
| Short-term Loans ^(Note4) | 0 | 0 | - |
| Long-term Loans ^(Note4) | 196,709 | 196,709 | - |
| Total Loans | 196,709 | 196,709 | - |
| Corporate Investment Bonds | 34,600 | 34,600 | - |
| Total interest-bearing debt | 231,309 | 231,309 | - |

(Note3) As of November 14, 2022

- It is assumed that the interest-bearing debts will change as follows by November 14, 2022.
- As announced in the "Notice Concerning Debt Financing" dated October 31, 2022, the long-term loan of 3,000 million yen for the property to be acquired (Residia Kumamoto Karashima) will be executed on November 8, 2022.
- There will be no increase or decrease in loans and investment corporation bonds other than the above.

(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/>