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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 Loan

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

1. Debt Financing (drawdown date: January 31, 2023, and February 1, 2023)

(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	Resona Bank, Limited.	January 31, 2023	1,000	Base rate ^(Note1) +0.17000%	January 31, 2031	8.0 year	Pay in full on the maturity date	Unsecured Non-guaranteed
2			1,000	Base rate ^(Note1) +0.16000%	January 31, 2030	7.0 year		
3	Aozora Bank, Ltd.		700	Unfixed ^(Note2)	January 31, 2031	8.0 year		
4	Sumitomo Mitsui Trust Bank, Limited	February 1, 2023	1,000	Base rate ^(Note1) +0.21000%	January 31, 2033	10.0 year		
5			500	Base rate ^(Note1) +0.17000%	January 31, 2031	8.0 year		
6	The Yamaguchi Bank, Ltd.		500	Base rate ^(Note1) +0.21000%	January 31, 2033	10.0 year		
Total or Weighted Average			4,700			8.4 year		

- (Note1) • Interest payment dates are the last business day of January, April, July, October, starting April, 28, 2023 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 for the 3 month yen TIBOR.
(<http://www.jbatibor.or.jp/english/>)

- (Note2) • Interest payment dates are the last business day of January, April, July, October, starting April, 28, 2023 and ending on the principal repayment date.
• The interest rate for the loans will be announced separately.

(2) Purpose of the Debt Financing

Planned Drawdown Date (January 31, 2023) : To repay existing Loan due on January 31, 2023.

Planned Drawdown Date (February 1, 2023) : To partially fund the acquisition of the actual property (RESIDIA Tamatsukuri) and payment of related expenses.

(3) Scheduled Contract Date of the Debt Financing

Planned Drawdown Date (January 31, 2023) : January 27, 2023

Planned Drawdown Date (February 1, 2023) : January 30, 2023

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
MUFG Bank, Ltd. Resona Bank, Limited. Aozora Bank, Ltd.	January 30, 2015	2,700	0.88500% (Note3)	January 31, 2023	8.0 year	Pay in full on the maturity date	Unsecured Non-guaranteed

(Note3) The interest rate is fixed through interest rate swap.

Reference Material: Debt Financing Balance (As of February 1, 2023)

(JPY:million)

	Before Refinancing (Note4)	After Refinancing	Increase (Decrease)
Short-term Loans (Note5)	0	0	-
Long-term Loans (Note5)	196,709	198,709	2,000
Total Loans	196,709	198,709	2,000
Corporate Investment Bonds	34,600	34,600	-
Total interest-bearing debt	231,309	233,309	2,000

(Note4) As of January 30, 2023

(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 470 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/>