

April 12, 2023

For Immediate Release

Advance Residence Investment Corporation
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Notice Concerning Debt Financing and Signing of Interest Rate Swap Agreement

Advance Residence Investment Corporation (ADR) announced that out of the 3,200 million long-term loans^{note 1} to be drawn down on April 14, 2023, interest rates for the 2,000 million yen fixed rate of the loan has been set as follows.

Additionally, ADR announced that an interest rate swap agreement has been entered to hedge against the risk of interest rate fluctuation for the 1,200 million yen floating rate of the loan as detailed below.

1. Interest rate determination for fixed rate borrowing

(JPY:million)

Lender	Planned Drawdown Date	Scheduled Amount	Interest Rate	Principal Repayment date	Repayment Period	Principal Repayment	Collateral/ Guarantee
The Norinchukin Bank	April 14, 2023	1,500	0.88003%	October 14, 2031	8.5 year	Pay in full on the maturity date	Unsecured Non-guaranteed
The Yamaguchi Bank, Ltd.		500	0.77257%	October 11, 2030	7.5 year		
Total or Weighted Average		2,000	0.85317%		8.3 year		

Note 1 Please refer to the “Notice Concerning Debt Financing and Repayment of Loans” dated April 6, 2023 for details.

2. Details of Interest Rate Swap Agreement

- Loan to be hedged: Long-term loan (1,200 million yen)
- Contract date of interest rate swap agreement: April 12, 2023

Counterparty	Notional principal (mil yen)	Contract start date	Contract end date	Repayment period	Interest rate	
					Pay (Fixed rate)	Receive (Floating-rate)
Nomura Securities Co., Ltd.	1,200	April 14, 2023	April 14, 2033	10.0 year	0.83200% ^{note2}	3 month yen TIBOR ^{note2}

Note 2 Interest payment dates are last business day of January, April, July, October starting April 28, 2023 and ending on the principal repayment date.

The interest rate for the loan above is to be basically fixed at 1.04200% for long-term loan by entering the interest rate swap agreement.

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/>