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August 26, 2025

## For Immediate Release

Real Estate Investment Trust Securities Issuer:  
Advance Residence Investment Corporation  
(Securities Code : 3269)  
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Asset Management Company:  
ITOCHU REIT Management Co., Ltd.  
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## **Notice Concerning Disposition of Domestic Real Estate Trust Beneficiary Interests(Maison Eclairée Ekoda)**

ITOCHU REIT Management Co., Ltd. (IRM), the asset management company to which Advance Residence Investment Corporation (ADR) entrusts the management of its assets, today announced its decision to dispose of assets (hereafter, the “Disposition”) as detailed below.

### 1. Summary of the Disposition

Property Name	Maison Eclairée Ekoda
Type of Specified Asset	Beneficiary interests in trust
Disposition Price	1,170 million yen
Appraisal value or survey price <sup>Note1</sup>	1,170 million yen
Book Value <sup>Note2</sup>	845 million yen
Difference between Disposition Price and Book Value	324 million yen
Counterparty	Ascot Corp.
Broker Availability	Yes
Scheduled Contract Date	August 26, 2025
Scheduled Disposition Date	September 26, 2025
Payment Method	Full payment on delivery

(Note 1) “Appraisal values or survey prices” is as of July 31, 2025.

(Note 2) “Book value” is the estimated amount as of each anticipated disposition date.

## 2. Reason for the Disposition

ADR is promoting a capital policy aimed at optimizing capital efficiency and enhancing unitholder returns, taking into consideration the current capital market environment, such as capital costs and investment unit prices.

In making the decision for this disposition, we comprehensively considered factors such as market competitiveness, potential for rent growth, and future profitability projections specifically for assets that have aged 32.5 years <sup>(Note 3)</sup> within ADR's portfolio (average building age: 18.1 years <sup>Note 4</sup>), given their advanced age.

The gain on sale generated from this disposition will be initially retained internally as a reserve and is planned to be utilized for future stable distributions.

In addition, the funds obtained from this disposition will be flexibly utilized for initiatives aimed at enhancing unitholder value, such as opportunistic acquisition of our own investment units depending on market conditions, and allocation for future property acquisitions.

(Note 3) The building age is stated as of the scheduled disposition date, rounded to the second decimal place.

(Note 4) Represents the weighted average building age of properties held as of July 31, 2025, based on their acquisition prices.

### 3. Details of Assets to be Disposed

Property Number	T-097
Property Name	Maison Eclairée Ekoda
Location	2-25-10 Asahigaoka, Nerima-ku, Tokyo
Land	
Type of Ownership	Ownership
Land Area	1,317.82 m <sup>2</sup> (including approx. 164.15 m <sup>2</sup> for private road / private road portion)
Zoning	Category 1 Low-rise Exclusive Residential Districts
FAR/Building Coverage Ratio	150%/60%
Building	
Type of Ownership	Ownership
Total Floor Space	1,656.31 m <sup>2</sup>
Structure / Floors	Reinforced concrete structure with a flat-topped roof; 4 stories
Use	Residential
Construction Completion Date	March 1993
Trustee	Sumitomo Mitsui Trust Bank, Limited
Trust Contract Period	Until November 30, 2030
Lease Conditions	
Point in Time	As of July 31, 2025
Total Tenants	1
Leasable Units	94
Leased Units	92
Leasable Floor Area	1,616.64 m <sup>2</sup>
Leased Area	1,582.50 m <sup>2</sup>
Occupancy Rate (based on floor area)	97.9%
Total Monthly Rent	5,622 thousand yen
Deposits, Guarantees, etc.	4,413 thousand yen
Number of Units by Type (Excluding Operated Rental Residence)	
Single	94
Compact	-
Family	-
Large	-
Other	-
Number of Operated Rental Residences	-
Special affairs	None

#### 4. Financial Impact on ADR in the Event of Failure to Fulfill Forward Commitment, etc.

The Beneficiary Interests in Trust Sales and Purchase Agreement pertaining to this transaction (hereafter, the “Agreement”) constitutes a forward commitment, etc<sup>(Note5)</sup>, by an investment corporation defined in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. published by the Financial Services Agency.

The Agreement provides that if this Investment Corporation or the counterparty violates a provision of the Agreement, the non-breaching party has the right to terminate the Agreement and claim an amount equivalent to 20% of the transaction price of the beneficiary interest for which the agreement was terminated as a penalty. Furthermore, even if damages exceeding such penalty arise due to the termination of the Agreement, neither party can claim any amount beyond the penalty from the other. Likewise, if the damages are less than the penalty amount, neither party can claim a reduction of the penalty.

However, this Investment Corporation is not obliged to pay penalties to the counterparty for the expiration or cancellation of the Agreement except where this Investment Corporation is at fault.

(Note5) Refers to a postdated sales agreement under which payment and property delivery shall be made at least one month after the conclusion of the agreement, or any other agreement similar thereto.

#### 5. Summary of the Counterparty

Name	Ascot Corp.
Address	3-1-30 Jingumae, Shibuya-ku, Tokyo
Representative	Takeshi Nakabayashi, President and Representative Director
Principal business	Businesses related to the purchase, sale, leasing, brokerage, appraisal, management, and consulting of real estate
Capital	10,867 million yen (as of December 31, 2024)
Data of establishment	April 1999
Total assets	79,245million yen (as of December 31, 2024)
Total capital	28,366 million yen (as of December 31, 2024)
Major shareholders and Shareholding ratio	Daito Trust Construction Co., Ltd. (100%) (as of April 30, 2025)
Relationship with ADR and IRM	
Capital relations	None
Personnel relations	None
Business relations	None
Related parties' status	None

#### 6. Summary of Brokerage

The brokerage is not considered a party with a special interest in ADR or IRM; therefore, the disclosure is omitted.

#### 7. Outlook

The impact of this disposition on the "Notice Concerning Revision of Management Performance Forecast for the Fiscal Period Ending January 2026 (31st Fiscal Period)" announced on July 30, 2025 is minor. Therefore, the forecast remains unchanged.

## 8. Summary of Appraisal Report or Survey Report

Property name	Maison Eclairée Ekoda
Appraisal value or survey price, etc	1,170,000 thousand yen
Appraiser	Chuo Real Estate Appraisal Co., Ltd.
Appraisal date	as of July 31, 2025

(thousand yen)

Items	Value	Summary
Income Capitalization Approach Value	1,170,000	The income approach value was principally based on the DCF method, with the result validated by comparison with the direct capitalization method.
Direct Capitalization Price ((6)/(7))	1,180,000	
(1) Total Potential Income	72,793	
Total Potential Income	76,246	
Rental income	69,063	Based on the rent and common area charge levels under existing lease agreements, the rent and common area charge levels of comparable properties, among other factors, the new rent and common area charges (new rent, etc.) expected for new leases of the subject property were assessed.
Other income	7,183	Motorcycle parking fees, bicycle parking fees, renewal fees, utility pole installation fees, vending machine commissions, and antenna income are accounted for as other income.
Losses from Vacancies, etc.	3,453	Based on the historical occupancy performance of the subject property and comparable properties, and expected future market trends, among other factors, the medium- to long-term stable occupancy rate (vacancy rate), etc. was assessed.
Losses from Delinquencies	0	As the amount is considered to be secured by deposits and other guarantees, it was determined that no provision is necessary.
(2) Expenses from rental business	19,271	
Maintenance and Management Fees	5,820	The assessment was made based on current Building Management (BM) contract terms, taking into consideration past performance and the cost levels of comparable properties, among other factors.
Utilities Costs	1,843	The amount is recorded with reference to the actual results of past fiscal years and taking into consideration the level of similar properties.
Repair Costs	3,148	The total amount of minor repair costs and restoration costs was recorded.
Property Manager Fees	2,114	The assessment was made based on current Property Management (PM) contract terms, the cost levels of comparable properties.
Leasing Expenses	3,362	The total amount of brokerage fees and other associated costs, advertising and promotion expenses, and renewal fees was recorded.
Taxes and Public Dues	2,886	The most recent actual amount was adopted.
Insurance Premium	80	The most recent actual amount was adopted.
Other Expense	18	The amount is recorded with reference to the actual results of past fiscal years.
(3) Net Operating Income (NOI, (1)-(2))	53,522	
(4) Earnings from Deposits	55	Assessed at an operating yield of 1.0%.
(5) Capital Expenditures	5,180	Anticipated future major repair expenses, equipment renewal costs, and similar expenses shall be annualized and accounted for. Specifically, the annual average amount of renewal cost estimates from the Engineering Report (ER) shall be recorded.
(6) Net Cash Flow DCF Price ((3)+(4)-(5))	48,397	
(7) Cap Rate	4.1%	The assessment is conducted by adjusting the benchmark yield for each respective area with a spread reflecting the subject property's locational conditions, building conditions, and other specific factors, while also taking into account future uncertainties and transaction yields of comparable properties.
DCF price	1,160,000	
Discount Rate	3.9%	The assessment is primarily conducted using the Sales Comparison Approach, based on comparable property transactions, with consideration also given to a method that incorporates the individual characteristics of real estate into financial asset yields.
Terminal Cap Rate	4.3%	In addition to the above, the assessment also takes into account the volatility of net income.
Cost Approach Value	735,000	
Land ratio	87.5%	
Building Ratio	12.5%	
Other items considered by the appraiser in the appraisal		None

**About Advance Residence Investment Corporation**

Advance Residence Investment Corporation is one of the largest J-REITs specializing in residential properties, managed by ITOCHU REIT Management Co., Ltd. (IRM), the asset management company of the ITOCHU Group. It owns rental properties nationwide, primarily in the 23 wards of Tokyo. By leveraging the stability of residential assets and the largest reserve among J-REITs, ADR is expected to provide long-term, stable dividends, making it a highly defensive J-REIT.

**"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/>