June 14, 2016

For Immediate Release

Advance Residence Investment Corporation
Securities Code：3269
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Notice Concerning Issuance of Investment Corporation Bond

Advance Residence Investment Corporation (ADR) announced its decision today to issue investment corporation bond as follows, based on the general resolution on ADR bond issuance adopted at the Board of Directors' Meeting held on July 29, 2015.

1. Terms of the Investment Corporation Bond

    (1) Name of the Investment Corporation Bond

        ADR Unsecured Bond #25　　(Bond #25)
        (with *Pari Passu* clause among specified investment corporation bond)

    (2) Total Amount of the Bond

        3,000 million yen

    (3) Form of the Investment Corporation Bond Certificate

        Under the *Act of Book-Entry Transfer of Company Bonds, Shares, etc.*, there will be no bond certificate for Bond #25.

    (4) Issue Price

        100 yen per par value of 100 yen

    (5) Redemption Price

        100 yen per par value of 100 yen

    (6) Coupon Rate

        0.900 %

    (7) Denomination

        100 million yen

    (8) Offering Method

Public offering

(9) Offering Period

June 14, 2016 (Tuesday)

(10) Issue Date

June 21, 2016 (Tuesday)

(11) Collateral / Guarantee

No collateral or guarantee is on the bond and no assets are reserved as security specifically for the bond.

(12) Redemption Method and Redemption Date

The entire principal shall be redeemed on June 20, 2031.

The bond may be purchased and cancelled at any time on and after the date following the issue date unless otherwise stipulated by the depository.

(13) Coupon Payment Dates

June 21 and December 21 every year (first payment date is December 21, 2016)

(14) Financial Covenants

Contains a negative pledge.

(15) Acquired Ratings

AA   (JCR)

(16) Fiscal, Issuing and Paying Agent

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(17) Underwriter

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

2. Purpose of the Issuance

To procure funds for early repayment of loans [Note1].

(Note1)   Please refer to the press release "Notice Concerning Early Repayment of Loans" dated today for the loans detail. The balance between the net proceeds and the repayment amount will be repaid using cash on hand.

3. Amount, Use and Scheduled Expenditure Date of Proceeds

(1) Amount of estimated net proceeds

2,977 million yen

(2) Specific usage and Scheduled Expenditure Date of Proceeds

The proceeds will be used for early repayment of loans whose repayment date is June 30 2016.

4. Other

With regard to risk concerning redemption of the Investment Corporation Bond, there are no significant changes in the "Investment Risk" stated in the Securities Report filed on April 26, 2016.

Reference

Status of Interest-Bearing Debts after the Issuance of the Investment Corporation Bond

(As of June 30, 2016)

(in thousand yen)

		Before Issuance	After Issuance	Difference
	Short-term loans (Note 2)	0	0	-
	Long-term loans(Note 2)	195,764,329	192,764,329	-3,000,000
Total loans		195,764,329	192,764,329	-3,000,000
Investment Corporation Bonds		38,500,000	41,500,000	3,000,000
Total interest-bearing debt		234,264,329	234,264,329	0

(Note 2) Short-term loans are loans with original maturity periods of one year or less and long-term loans are loans with original maturity periods of over one year.

＊ The original Japanese version of this material is released today to the Kabuto Club (the press club of the Tokyo Stock Exchange), the ministry of Land, Infrastructure and Transport Press Club, and the Ministry of Land, Infrastructure and Transport Press Club for Construction Publications.

＊ URL: http://www.adr-reit.com/en/

[Provisional Translation Only]

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