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For Immediate Release

Advance Residence Investment Corporation
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Notice Concerning Debt Financing and Redemption of Bonds

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

1. Debt Financing

(1) Details of the Debt Financing

(JPY:million)

No.	Lender	Planned Drawdown Date	Scheduled Amount	Interest Rate (fixed rate)	Principal Repayment date	Repayment Period	Principal Repayment	Collateral/ Guarantee
1	MUFG Bank, Ltd.	September 11, 2018	1,000	Base Rate ^(Note1) +0.100%	September 11, 2019	1.0 year	Pay in full on the maturity date	Unsecured Non-guaranteed
2	Nippon Life Insurance Company		1,000	Unfixed ^(Note2)	September 11, 2028	10.0 year		
Total or Weighted Average			2,000			5.5 year		

(Note1) Interest payment dates will be on the last business day of September 2018, for the rest of the term, the last business day of every month and on the principal repayment date.

JBA 1 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 1 month, the accrued interest will be calculated according to the method described in the contract, using the base rate applicable.

The floating interest rate for the loan will not be announced in the future. Please refer to JBA website (<http://www.jbatibor.or.jp/english/>) for the 1 month yen TIBOR.

(Note2) Interest payment dates will be on the last business day of September 2018, for the rest of the term, the last business day of every January, April, July, October and on the principal repayment date.

The interest rate for the loan will be announced separately.

(2) Purpose of the Debt Financing

To redeem the existing bond due on September 12, 2018.

(3) Scheduled Contract Date of Debt Financing

September 7, 2018

2. Details of the Existing Bond to be Redeemed

(JPY:million)

No.	Name of Investment Corporation Bond	Drawdown Date	Amount	Interest Rate (fixed rate)	Principal Repayment Date	Repayment Period	Principal Repayment	Collateral/ Guarantee
1	ADR Unsecured Bond #14 (with <i>Pari Passu</i> clause among specified investment corporation bonds)	September 12, 2011	2,000	1.6800%	September 12, 2018	7.0year	Pay in full on the maturity date	Unsecured Non-guaranteed

Reference Material: Debt Financing Balance (As of September 12, 2018)

(JPY:million)

	Before Refinancing ^(Note3)	After Refinancing	Increase (Decrease)
Short-term Loans ^(Note4)	1,000	2,000	1,000
Long-term Loans ^(Note4)	195,918	196,918	1,000
Total Loans	196,918	198,918	2,000
Corporate Investment Bonds	29,000	27,000	-2,000
Total interest-bearing debt	225,918	225,918	-

(Note3) As of September 12, 2018.

(Note4) Short-term loans are loans with repayment dates within one year from the drawdown date and long-term loans are loans with repayment dates that are more than one year away.

* URL: <https://www.adr-reit.com/en/>

[Provisional Translation Only]

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Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.