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**For Immediate Release**

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**Notice Concerning Debt Financing and Repayment of Loans**

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

1. Debt Financing ( Drawdown Date; September 28, 2018 )

(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	Sumitomo Mitsui Trust Bank, Limited	September 28, 2018	1,000	BaseRate + 0.10% <sup>(Note1)</sup>	September 30, 2019	1.0 year	Pay in full on the maturity date	Unsecured Non-guaranteed
2	The Nishi-Nippon City Bank, Ltd The 77 Bank, Ltd.		1,000	Unfixed <sup>(Note2)</sup>	September 29, 2028	10.0 year		
Total or Weighted Average			2,000			5.5 year		

(Note1) Interest payment dates are the last business day of every month starting October 2018 and the ending 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 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 (<http://www.jbatibor.or.jp/english/>) for the 1 month yen TIBOR.

(Note2) Interest payment dates are the last business day of every January, April, July, October starting October 2018 and ending on the principal repayment date.

The interest rate for the loan will be announced separately.

(2) Purpose of the Debt Financing

To repay the existing loans due on September 28, 2018.

(3) Scheduled Contract Date of Debt Financing

September 26, 2018

(4) Details of Coming Due Loans to be Repaid

(JPY:million)

No.	Lender	Drawdown Date	Scheduled Amount	Interest Rate (fixed rate)	Principal Repayment Date	Repayment Period	Principal Repayment	Collateral/ Guarantee
1	MUFG Bank, Ltd.	September 29, 2011	1,000	1.61750%	September 28, 2018	7.0 year	Pay in full on the maturity date	Unsecured Non-guarantee
2	The Nishi-Nippon City Bank, Ltd The 77 Bank, Ltd.	September 13, 2013	1,000	0.77375%	September 28, 2018	5.0 year		
			2,000	1.19563%		6.0 year		

2. Debt Financing ( Drawdown Date; November 30, 2018 )

(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	Sumitomo Mitsui Trust Bank, Limited	November 30, 2018	2,200	Unfixed <sup>(Note3)</sup>	November 30, 2028	10.0 year	Pay in full on the maturity date	Unsecured Non-guarantee

(Note3) Interest payment dates are the last business day of every January, April, July, October starting January 2019 and ending on the principal repayment date.

The interest rate for the loan will be announced separately.

(2) Purpose of the Debt Financing

To repay the existing loans due on November 30, 2018.

(3) Scheduled Contract Date of Debt Financing

September 21, 2018

(4) Details of Loan to be Repaid Early

(JPY:million)

No.	Lender	Drawdown Date	Scheduled Amount <sup>(Note4)</sup>	Interest Rate (fixed rate) <sup>(Note5)</sup>	Principal Repayment Date	Repayment Period	Principal Repayment	Collateral/ Guarantee
1	Sumitomo Mitsui Trust Bank, Limited MUFG Bank, Ltd.	November 30, 2011	3,200	1.57075%	November 30, 2018	7.0 year	Pay in full on the maturity date	Unsecured Non-guarantee

(Note4) The 2,200 million yen loan which is part of the total 3,200 million yen loan will be repaid on November 30, 2018. And the balance (1,000 million yen) will be repaid on due date.

(Note5) The interest rate is fixed through interest rate swap.



Reference Material: Debt Financing Balance (As of November 30, 2018) <sup>(Note6)</sup>

(JPY:million)

	Before Refinancing <sup>(Note7)</sup>	After Refinancing	Increase (Decrease)
Short-term Loans <sup>(Note8)</sup>	2,000	3,000	1,000
Long-term Loans <sup>(Note8)</sup>	196,918	195,918	-1,000
Total Loans	198,918	198,918	-
Corporate Investment Bonds	27,000	27,000	-
Total interest-bearing debt	225,918	225,918	-

(Note6) The balance assumes that the refinancing of the existing loan 5,560 million yen on November 30, 2018.

(Note7) As of September 19, 2018.

(Note8) 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.*