

November 14, 2007

For Immediate Release

Advance Residence Investment Corporation
Securities Code : 8978
3-12 Kioicho, Chiyoda-ku, Tokyo
Kenzo Sato, Executive Officer

Investment Trust Management Company:
AD Investment Management Co., Ltd.
Kenzo Sato, President

Inquiries:
Toshiyuki Imamura, General Manager
TEL. +81-3-5216-1871

Notice Concerning Repayment of Loans

Advance Residence Investment Corporation (ADR) announces its decision today to repay loans early as detailed below.

Please refer to the “Notice Concerning Issuance of Investment Corporation Bonds” dated November 14, 2007 for details on the investment corporation bonds.

1. Details of Repayment

(1) Term Loan (maturity period of 2 years; floating interest rate)

- (i) Lenders: Aozora Bank, Ltd.
The Sumitomo Trust & Banking Co., Ltd.
Mizuho Corporate Bank, Ltd.
Mitsubishi UFJ Trust and Banking Corporation
The Hachijuni Bank, Ltd.
- (ii) Loan Amount: 6.6 billion yen
- (iii) Amount of Early Repayment: 5.0 billion yen (partial repayment)
- (iv) Drawdown Date: November 21, 2006
- (v) Principal Repayment Deadline: November 25, 2008
- (vi) Date of Early Repayment: November 22, 2007
- (vii) Collateral: No collateral and no guarantee
- (viii) Source of Early Repayment: Proceeds from issuance of investment corporation bonds

(2) Term Loan (maturity period of 3 years; floating interest rate)

- (i) Lenders: Aozora Bank, Ltd.
The Sumitomo Trust & Banking Co., Ltd.
Shinsei Bank, Ltd.
The Hachijuni Bank, Ltd.
The Oita Bank, Ltd.



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|-----------------------------------|--|
| (ii) Loan Amount: | 5.0 billion yen |
| (iii) Amount of Early Repayment: | 5.0 billion yen (full repayment) |
| (iv) Drawdown Date: | November 25, 2005 |
| (v) Principal Repayment Deadline: | November 25, 2008 |
| (vi) Date of Early Repayment: | November 22, 2007 |
| (vii) Collateral: | No collateral and no guarantee |
| (viii) Source of Early Repayment: | Proceeds from issuance of investment corporation bonds |

Furthermore, no early repayment charge will apply to this early repayment.

<Attachments>

- Reference Material 1: Balance of Loans After Repayment
- Reference Material 2: Issuance of Investment Corporation Bonds
- Reference Material 3: Comparison of Loans Before and After Repayment

Reference Material 1: Balance of Loans After Repayment

Category	Lender	Loan Balance (Note 1)	Interest Rate (Note 2)	Drawdown Date	Repayment Deadline	Repayment Method	Remarks
Line of credit	The Sumitomo Trust & Banking Co., Ltd. Aozora Bank, Ltd.	1.0 bn yen	1.17%	Sept. 3, 2007	Nov. 21, 2007	Lump sum repayment at maturity	No collateral or guarantee
Subtotal of short-term loan		1.0 bn yen					
2-year floating	Aozora Bank, Ltd. The Sumitomo Trust & Banking Co., Ltd. Mizuho Corporate Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation The Hachijuni Bank, Ltd.	1.6 bn yen	1.23% (Note 3)	Nov. 21, 2006	Nov. 25, 2008	Lump sum repayment at maturity	No collateral or guarantee
4-year fixed	The Sumitomo Trust & Banking Co., Ltd. Aozora Bank, Ltd.	6.2 bn yen	1.25% (Note 4)	Nov. 25, 2005	Nov. 25, 2009	Lump sum repayment at maturity	No collateral or guarantee
	Mizuho Corporate Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation	0.8 bn yen	1.66% (Note 4)	Mar. 20, 2006			
5-year fixed	The Sumitomo Trust & Banking Co., Ltd. Aozora Bank, Ltd.	5.9 bn yen	1.48% (Note 5)	Nov. 25, 2005	Nov. 25, 2010	Lump sum repayment at maturity	No collateral or guarantee
	Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation	5.7 bn yen	1.61% (Note 5)	Mar. 20, 2006 Mar. 30, 2006			
Subtotal of long-term loans		20.2 bn yen					
Total		21.2 bn yen					

(Note 1) All funds were applied to the acquisition of real estate beneficiary interests in trust and to the payment of related costs.

(Note 2) The interest rates shown are the interest rates per annum rounded to two decimal places.

(Note 3) The loan interest rate applicable to the period from August 24, 2007 to November 21, 2007 is shown.

The interest rate applicable on and after November 22, 2007 will be notified at a later date once it has been determined.

(Note 4) The loan interest rate shown is the fixed real interest rate based on the interest rate swap agreement entered into for the purpose of fixing the interest rate.

The floating interest rate based on the loan agreement for the period from August 24, 2007 to November 21, 2007 is 1.27583%.

(Note 5) The loan interest rate shown is the fixed real interest rate based on the interest rate swap agreement entered into for the purpose of fixing the interest rate.

The floating interest rate based on the loan agreement for the period from August 24, 2007 to November 21, 2007 is 1.32583%.

Reference Material 2: Issuance of Investment Corporation Bonds

Maturity Period	Name of Bonds	Issue Amount	Coupon Rate	Issue Date	Redemption Date	Remarks
4-year floating	First Series Unsecured Investment Corporation Bonds (ranking pari passu with specified investment corporation bonds)	5.0 bn yen	TBD (Note 6)	Nov. 21, 2007	Nov. 21, 2011	No collateral or guarantee
5-year fixed	Second Series Unsecured Investment Corporation Bonds (ranking pari passu with specified investment corporation bonds)	5.0 bn yen	2.03%	Nov. 21, 2007	Nov. 21, 2012	Credit rating R&I: A
Total		10.0 bn yen				

(Note 6) The coupon rate for the First Series Bonds will be notified at a later date once it has been determined.

Reference Material 3: Comparison of Loans Before and After Repayment

		Before Repayment	After Repayment	Increase (Decrease)
Short-term loan	Line of credit	1,000 mn yen	1,000 mn yen	–
Long-term loans	2-year floating	6,600 mn yen	1,600 mn yen	(5,000 mn yen)
	3-year floating	5,000 mn yen	–	(5,000 mn yen)
	4-year fixed	7,000 mn yen	7,000 mn yen	–

	5-year fixed	11,600 mn yen	11,600 mn yen	–
Total loans		31,200 mn yen	21,200 mn yen	(10,000 mn yen)
Investment corporation bonds		–	10,000 mn yen	10,000 mn yen
Total interest-bearing debt		31,200 mn yen	31,200 mn yen	–
Unitholders' capital (Note 7)		36,262 mn yen	36,262 mn yen	–
Interest-bearing debt ratio (Note 8)		46.2%	46.2%	–

(Note 7) Unitholders' capital is rounded down to the nearest million yen.

(Note 8) Interest-bearing debt ratio = Interest-bearing debt ÷ (Interest-bearing debt + Unitholders' capital) × 100%
The interest-bearing debt ratio is rounded to one decimal place.

- * 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>

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