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For Immediate Release

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Notice Concerning Debt Financing

Advance Residence Investment Corporation (ADR) today announced its decision to undertake debt financing as follows.

1. Reason for debt financing

The funds will be applied to the acquisition of real estate beneficiary interests in trust of “Belle Scene Minamiikuta ” as well as its related costs.

(Note 1) Please refer to the press release “Notice Concerning Acquisition of Investment Assets 【Belle Scene Minamiikuta】 ” dated December 10, 2007, for property details.

2. Details of debt financing

Availability Line <floating interest>

- 1) Lenders : Sumitomo Trust & Banking Co., Ltd. (serves as facility agent as well as security agent) and Aozora Bank Ltd.
- 2) Amount : 1,120 million yen
- 3) Interest rate : 0.99931%
- 4) Planned drawdown date : December 11, 2007
- 5) Debt financing method : A Specific Availability Line Contract shall be concluded on December 11, 2007 with the lenders indicated in the above (1) based on the Basic Availability Line Agreement dated January 12, 2006.
- 6) Interest payment dates : The first payment shall be made on December 25, 2007, and the ensuing payments on the 25th day of every month thereafter (the preceding business day when the concerned date is not a business day).
- 7) Principal repayment method : The principal will be repaid in lump sum on the principal repayment date.



- 8) Principal repayment date : July 25, 2008
9) Collateral/guarantee : No collateral or guarantee

3. Use of debt financing

The funds will be applied to the acquisition of real estate beneficiary interests in trust of “Artis Kitashinagawa” and “Artis Shin-Yokohama” as well as their related costs.

<Attachment>

- Reference Material 1: Debt Financing Balance after additional debt financing.

Reference Material 1: Debt Financing Balance after additional debt financing.

Category	Lender	Loan Balance (mm yen) (Note 1)	Interest Rate (%) (Note 2)	Drawdown Date	Repayment Deadline	Repayment Method	Remarks
Availability Line	The Sumitomo Trust & Banking Co., Ltd. Aozora Bank, Ltd.	1,000	1.02 (Note 3)	Sept. 3, 2007	July 25 th , 2008	Lump sum repayment at maturity	No collateral or guarantee
		4,820	0.98 (Note 4)	Nov. 30, 2007	July 25 th , 2008		
		1,120	1.00 (Note 5)	Dec. 11, 2007	July 25 th , 2008		
Subtotal of short-term loans		6,940					
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.	1,600	1.25 (Note 6)	Nov. 21, 2006	Nov. 25, 2008	Lump sum repayment at maturity	No collateral or guarantee
Subtotal of current portion of long-term loans		1,600					
4-year fixed	The Sumitomo Trust & Banking Co., Ltd. Aozora Bank, Ltd. Mizuho Corporate Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation	6,200	1.25 (Note 7)	Nov. 25, 2005	Nov. 25, 2009	Lump sum repayment at maturity	No collateral or guarantee
		800	1.66 (Note 7)	Mar. 20, 2006			
5-year fixed	The Sumitomo Trust & Banking Co., Ltd. Aozora Bank, Ltd. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation	5,900	1.48 (Note 8)	Nov. 25, 2005	Nov. 25, 2010	Lump sum repayment at maturity	No collateral or guarantee
		5,700	1.61 (Note 8)	Mar. 20, 2006 Mar. 30, 2006			
Subtotal of long-term loans		18,600					
Total		27,140					

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

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

3. The loan interest rate applicable to the period from November 21, 2007 to December 24, 2007 is shown.

4. The loan interest rate applicable to the period from November 30, 2007 to December 24, 2007 is shown.

5. The loan interest rate applicable to the period from December 11, 2007 to December 24, 2007 is shown.

6. The loan interest rate applicable to the period from November 22, 2007 to February 24, 2008 is shown.

The interest rate applicable on and after February 25, 2008 will be notified at a later date once it has been determined.

7. 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 November 22, 2007 to February 24, 2008 is 1.30%.

8. 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 November 22, 2007 to February 24, 2008 is 1.35%.

* 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>

[Provisional Translation Only]

English translation of the original Japanese document is provided solely for information purposes.

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