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For Immediate Release

Advance Residence Investment Corporation
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Notice Concerning Debt Financing

Advance Residence Investment Corporation (ADR) today announced its decisions regarding debt financing as detailed below.

1) Reason for debt financing

The funds will be applied to the acquisition of real estate beneficiary interests in trust and its related costs.

2) Details of debt financing

Availability Line <floating interest>

- 1) Lenders and Agents : The Sumitomo Trust & Banking Co., Ltd., Aozora Bank Ltd. and Mizuho Corporate Bank, Ltd.
- 2) Amount : JPY 1,940 million
- 3) Interest rate : TBD (Note 1)
- 4) Planned drawdown date : March 28, 2008
- 5) Debt financing method : A Specific Availability Line Contract shall be concluded on March 26, 2008 with the lenders indicated in the above (1) based on the Basic Availability Line Agreement, additional agreements made after are inclusive, dated January 12, 2006.
- 6) Interest payment dates : The first payment shall be made on April 25, 2008, 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 : November 21, 2008
- 9) Collateral/guarantee : No collateral or guarantee

Note 1) The interest rate will be disclosed separately when it is finalized.

<Attachments>

- Reference Material 1: Debt Financing Balance with LTV.
- Reference Material 2: Debt Financing Balance after additional debt financing.

- * 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.

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Reference Material 1: Debt Financing Balance with LTV

| | Before Refinancing (mn yen) | After Refinancing (mn yen) | Increase (Decrease) |
|-------------------------------|--------------------------------|-------------------------------|---------------------|
| Short-term loans | 9,640 | 11,580 | 1,940 |
| Long-term Loans | 28,600 | 28,600 | — |
| Total loans | 38,240 | 40,180 | 1,940 |
| Corporate Investment Bonds | 10,000 | 10,000 | — |
| Total interest-bearing debt | 48,240 | 50,180 | 1,940 |
| Interest-bearing debt ratio | 57.1% | 58.0% | 1.0% |

Note 1) $\text{Interest-bearing debt ratio} = \frac{\text{Total interest-bearing debt}}{\text{Total interest-bearing debt} + \text{Unitholders' capital}} \times 100\%$
The interest-bearing debt ratio is rounded to one decimal place.

Note 2) Short-term loans are loans with repayment dates within one year and long-term loans are loans with repayment dates over one year away.

Note 3) The Unitholders' Capital of 36,262 mm yen, as of today, is used.

Reference Material 2: Debt Financing Balance after additional debt financing.

| Category | Lender | Loan Balance (mm yen) (Note 1) | Interest Rate (%) (Note 2) (Note 3) | Drawdown Date | Repayment Deadline | Repayment Method | Remarks |
|-------------------------------------|--|--------------------------------------|---|--------------------------------|-----------------------|--------------------------------------|----------------------------------|
| Availability Line | Aozora Bank Ltd. The Sumitomo Trust & Banking Co., Ltd. | 1,980 | 1.21 | Feb. 22, 2008 | Nov. 21, 2008 | Lump sum repayment at maturity | No collateral or guarantee |
| | Aozora Bank Ltd. The Sumitomo Trust & Banking Co., Ltd. | 3,320 | 1.21 | Feb. 29, 2008 | | | |
| | Mizuho Corporate Bank, Ltd. | 4,340 | 1.21 | Mar. 21, 2008 | | | |
| | Mizuho Corporate Bank, Ltd. | 1,940 | TBA | Mar. 28, 2008 | | | |
| Subtotal of short-term loans | | 11,580 | | | | | |
| 4-year fixed | Aozora Bank Ltd. Shinsei Bank, Limited Development Bank of Japan Mitsubishi UFJ Trust and Banking Corporation Resona Bank, Limited Oita Bank Limited The Hachijuni Bank Ltd. | 5,500 | 1.49 | Jan. 25, 2008 | Jan. 25, 2012 | Lump sum repayment at maturity | No collateral or guarantee |
| | The Sumitomo Trust & Banking Co., Ltd. Aozora Bank, Ltd. | 6,200 | 1.25 | Nov. 25, 2005 | Nov. 25, 2009 | | |
| | Mizuho Corporate Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation | 800 | 1.66 | Mar. 20, 2006 | | | |
| 5-year fixed | The Sumitomo Trust & Banking Co., Ltd. Aozora Bank Ltd. Development Bank of Japan Resona Bank, Limited | 4,500 | 1.68 | Jan. 25, 2008 | Jan. 25, 2013 | Lump sum repayment at maturity | No collateral or guarantee |
| | The Sumitomo Trust & Banking Co., Ltd. Aozora Bank, Ltd. | 5,900 | 1.48 | Nov. 25, 2005 | Nov. 25, 2010 | | |
| | Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation | 5,700 | 1.61 | Mar. 20, 2006 Mar. 30, 2006 | | | |
| Subtotal of long-term loans | | 28,600 | | | | | |
| Total | | 40,180 | | | | | |

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 rates shown are the fixed real interest rates based on the interest rate swap agreements entered into for the purpose of fixing the interest rates.