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For Immediate Release

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Notice Concerning Debt Financing

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

I. Debt Financing

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 9.7 million
- 3) Interest rate : TBA (Note)
- 4) Planned drawdown date : May 26, 2008
- 5) Debt financing method : A Specific Availability Line Contract shall be concluded on May 22, 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 June 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) 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.

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

Reference Material 1: Debt Financing Balance with LTV

	Before Refinancing (mn yen)	After Refinancing (mn yen)	Increase (Decrease)
Short-term loans	12,310	13,280	970
Long-term Loans	28,600	28,600	—
Total loans	40,910	41,880	970
Corporate Investment Bonds	10,000	10,000	—
Total interest-bearing debt	50,910	51,880	970
Interest-bearing debt ratio	58.4%	58.9%	0.5%

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	1.07%	Feb. 22, 2008	Nov. 21, 2008	Lump sum repayment at maturity	No collateral or guarantee
		3,320	1.07%	Feb. 29, 2008			
	Aozora Bank Ltd. The Sumitomo Trust & Banking Co., Ltd.	4,340	1.07%	Mar. 21, 2008			
	Mizuho Corporate Bank, Ltd.	1,940	1.07%	Mar. 28, 2008			
		730	1.07%	Apr. 25, 2008			
		970	TBA	May 26, 2008			
Subtotal of short-term loans		13,280					
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		41,880					

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.

4. The loan interest rates applicable to the period from April 25, 2008 to May 22, 2008 are shown.