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For Immediate Release

Advance Residence Investment Corporation

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Notice Concerning Debt Financing and Repayment of Loans

Advance Residence Investment Corporation (ADR) today announced its decisions regarding debt financing, repayment of loans and agreement to partially change the Basic Availability Line Agreement as detailed below.

1. Debt Financing

(1) Reason for debt financing

The funds will be applied to partial repayment of current loans and to its related costs.

(2) Details of debt financing

b. Long-term loan <2-year floating (Note 1)>

- 1) Scheduled Lenders : The Sumitomo Trust & Banking Co., Ltd., Aozora Bank Ltd., Mitsubishi UFJ Trust and Banking Corporation
- 2) Scheduled Amount : JPY 6 billion
- 3) Interest rate : TBD (Note 2)
- 4) Planned drawdown date : November 25, 2009
- 5) Debt financing method : A Term Loan Contract shall be concluded on November 20, 2009.
- 6) Interest payment dates : The first payment shall be made on February 28, 2010, and the ensuing payments on the last day of February, May, August and November thereafter (the preceding business day when the concerned date is not a business day).
- 7) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 8) Principal repayment date : November 30, 2011
- 9) Collateral/guarantee : No collateral or guarantee

(Note 1) ADR plans to enter the interest rate swap agreement in order to fix the interest rate.

(Note 2) The interest rate will be disclosed separately when it is finalized.

c. Long-term loan <3-year fixed>

- 1) Scheduled Lenders : Development Bank of Japan Inc.
- 2) Scheduled Amount : JPY 1 billion
- 3) Interest rate : TBD (Note 2)
- 4) Planned drawdown date : June 25, 2009
- 5) Debt financing method : A Term Loan Contract shall be concluded on November 20, 2009.
- 6) Interest payment dates : The first payment shall be made on February 28, 2010, and the ensuing payments on the last day of February, May, August and November thereafter (the preceding business day when the concerned date is not a business day).

- 7) Principal repayment method : The first principal installment repayment of 12,500,000 yen shall be made on February 28, 2010, and the ensuing repayments on the last day of February, May, August and November thereafter and remainder of the principal of 862,500,000 yen shall be repaid in lump sum on November 25, 2012 (the preceding business day when the concerned date is not a business day).
- 8) Principal repayment date : November 30, 2012
- 9) Collateral/guarantee : No collateral or guarantee

(Note1) The interest rate will be disclosed separately when it is finalized.

2. Details of Repayment

(1) Loan based on Term Loan Contract dated November 25, 2005

- 1) Lenders : The Sumitomo Trust & Banking Co., Ltd., Aozora Bank Ltd., Mitsubishi UFJ Trust and Banking Corporation
- 2) Loan Amount : JPY 6.2 billion
- 3) Amount of Repayment : JPY 6.2 billion
- 4) Principal Repayment Deadline : November 25, 2009
- 5) Date of Repayment : November 25, 2009

(2) Loan based on Term Loan Contract dated March 20, 2006

- 6) Lenders : The Sumitomo Trust & Banking Co., Ltd., Aozora Bank Ltd.
- 7) Loan Amount : JPY 800 million
- 8) Amount of Repayment : JPY 800 million
- 9) Principal Repayment Deadline : November 25, 2009
- 10) Date of Repayment : November 25, 2009

3. Partial Change in Basic Availability Line Agreement

ADR plans to conclude an agreement on November 20, 2009 to change the Basic Availability Line Agreement, which will decrease the limit of availability loans.

4. Other

We see no changes in risk issues pertaining to the debt financing and the repayment of loan as covered in the "Investment Risk" section in the Securities Report dated September 25, 2009.

<Attachments>

Reference Material 1: Debt Financing Balance with LTV

- * 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 (million yen)	After Refinancing (million yen)	Increase (Decrease)
Short-term loans	7,000	0	(7,000)
Long-term Loans	35,000	42,000	7,000
Total loans	42,000	42,000	—
Corporate Investment Bonds	10,000	10,000	—
Total interest-bearing debt	52,000	52,000	—
Interest-bearing debt ratio	58.9%	58.9%	—

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.