



June 28, 2011

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 and repayment of loans as detailed below.

1. Debt Financing

(1) Reason for debt financing

The fund will be used to acquire assets (RESIDIA Yoga) as detailed below.

(2.) Details of debt financing

<Short-term loan: 1-year term, floating interest rate >

- | | | |
|-------------------------------|---|--|
| 1) Scheduled Lenders | : | The Bank of Tokyo-Mitsubishi UFJ, Ltd.
The Sumitomo Trust & Banking Co., Ltd.
Sumitomo Mitsui Banking Corporation
Mizuho Corporate Bank |
| 2) Scheduled Amount | : | 1,560,000,000 yen |
| 3) Interest rate | : | Base rate (JBA 1month yen TIBOR) + 0.95% (Note1) |
| 4) Planned drawdown date | : | July 5, 2011 |
| 5) Debt financing method | : | Loan based on the Loan Commitment agreement signed on April 28, 2011.(Note2) |
| 6) Principal repayment method | : | The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : | July 5, 2012 |
| 8) Collateral/guarantee | : | Unsecured and non-guaranteed. |

2. Debt Financing

(1) Reason for debt financing

The funds will be used to repay of loans.

(2.) Details of debt financing

<Long-term loan: 6-year term, floating interest rate >

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|-------------------------------|---|--|
| 1) Scheduled Lenders | : | Sumitomo Mitsui Banking Corporation |
| 2) Scheduled Amount | : | 2,700,000,000 yen |
| 3) Interest rate | : | Base rate (JBA 3month yen TIBOR) + 0.95% (Note3) |
| 4) Planned drawdown date | : | June 30, 2011 |
| 5) Debt financing method | : | Loan contract shall be concluded on June 28, 2011. |
| 6) Principal repayment method | : | The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : | June 30, 2017 |
| 8) Collateral/guarantee | : | Unsecured and non-guaranteed. |

<Long-term loan: 7-year term, floating interest rate >

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|-------------------------------|---|--|
| 1) Scheduled Lenders | : | The Sumitomo Trust & Banking Co., Ltd. |
| 2) Scheduled Amount | : | 890,000,000 yen |
| 3) Interest rate | : | Base rate (JBA 3month yen TIBOR) + 1.00% (Note3) |
| 4) Planned drawdown date | : | June 30, 2011 |
| 5) Debt financing method | : | Loan contract shall be concluded on June 28, 2011. |
| 6) Principal repayment method | : | The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : | June 29, 2018 |
| 8) Collateral/guarantee | : | Unsecured and non-guaranteed. |

3. Details of Repayment

Loan based on the loan contract dated June 26, 2009

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|-----------------------------|---|-------------------------------------|
| 1) Lenders | : | Sumitomo Mitsui Banking Corporation |
| 2) Loan Amount | : | 2,709,740,000 yen |
| 3) Amount of Repayment | : | 2,709,740,000 yen(Note4) |
| 4) Principal Repayment date | : | June 30, 2011 |
| 5) Date of RepaymentApril | : | June 30, 2011 |

Loan based on the loan contract dated February 17, 2010

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|-----------------------------|---|--|
| 1) Lenders | : | The Sumitomo Trust & Banking Co., Ltd. |
| 2) Loan Amount | : | 894,071,000yen |
| 3) Amount of Repayment | : | 894,071,000 yen(Note4) |
| 4) Principal Repayment date | : | June 30, 2011 |
| 5) Date of RepaymentApril | : | June 30, 2011 |



- (Note1)
- Interest payment dates are, last business day of every month and the principal repayment date.
 - JBA 1 month yen TIBOR rate of two business days prior to the latest interest payment date will be used as the base rate to calculate the applicable interest rate for the current calculation period. If the calculation period is less than 1 month, the accrued interest will be calculated using the base rate applicable and according to the method described in the contract.
 - The floating interest rate for the loan will not be announced in the future. Please refer to JBA website (<http://www.zenginkyo.or.jp/tibor/>) for the 1 month yen TIBOR.
- (Note2)
- Please refer to the press release “Notice concerning Establishment of Loan Commitments” dated April 28, 2011, for the Loan Commitment details signed on April 28, 2011.
- (Note3)
- Interest payment dates are, last business day of January, April, July, October and the principal repayment date.
 - JBA 3 month yen TIBOR rate of two business days prior to the latest interest payment date will be used as the base rate to calculate the applicable interest rate for the current calculation period. If the calculation period is less than 3 month, the accrued interest will be calculated using the base rate applicable and according to the method described in the contract.
 - The floating interest rate for the loan will not be announced in the future. Please refer to JBA website (<http://www.zenginkyo.or.jp/tibor/>) for the 3 month yen TIBOR.
 - The interest will be fixed at 1.58954% (6-year term Loan) and 1.75570% (7-year term Loan) by entering the interest swap agreement announced in “Notice Concerning on Signing of Interest Swap Agreement” on June 28, 2011.

- * 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 : Debt Financing Balance

(As of July 5, 2011)

(JPY:thousand)

	Before Refinancing	After Refinancing	Increase (Decrease)
Short-term Loans	6,100,000	7,660,000	1,560,000
Long-term Loans	141,064,221	141,050,410	(13,811)
Total Loans	147,164,221	148,710,410	1,546,189
Corporate Investment Bonds	46,500,000	46,500,000	—
Total interest-bearing debt	193,664,221	195,210,410	1,546,189

※Loan Balances are rounded down.

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