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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 and repayment of loans as announced in the notice titled “Notice Concerning Acquisition of Investment Asset ” dated July 15 2011, July 29, 2011, and today.

1. Debt Financing

(1) Reason for debt financing

The fund will be used to acquire assets (RESIDIA TOWER Nakameguro, RESIDIA Edobori, and RESIDIA Tsukishima III) as detailed below.

(2.) Details of debt financing

<Long-term loan: 4 year and 4 month, floating interest rate >

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| 1) Scheduled Lenders | : Sumitomo Mitsui Banking Corporation
Aozora Bank, Ltd. |
| 2) Scheduled Amount | : 3,000,000,000 yen |
| 3) Interest rate | : Base rate (JBA 1month yen TIBOR) + 0.75% (Note1) |
| 4) Planned drawdown date | : August 31, 2011 |
| 5) Debt financing method | : Loan contract shall be concluded on August 29, 2011. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : December 18, 2015 |
| 8) Collateral/guarantee | : Unsecured and non-guaranteed. |

<Long-term loan: 5 year and 5 month, floating interest rate >

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| 1) Scheduled Lenders | : Resona Bank, Limited |
| 2) Scheduled Amount | : 2,000,000,000 yen |
| 3) Interest rate | : Base rate (JBA 1month yen TIBOR) + 0.80% (Note1) |
| 4) Planned drawdown date | : August 31, 2011 |
| 5) Debt financing method | : Loan contract shall be concluded on August 29, 2011. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : January 31, 2017 |
| 8) Collateral/guarantee | : Unsecured and non-guaranteed. |

<Long-term loan: 5 year and 5 month, floating interest rate >

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| 1) Scheduled Lenders | : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
The Sumitomo Trust & Banking Co., Ltd. |
| 2) Scheduled Amount | : 1,500,000,000 yen |
| 3) Interest rate | : Base rate (JBA 1month yen TIBOR) + 0.80% (Note1) |
| 4) Planned drawdown date | : September 1, 2011 |
| 5) Debt financing method | : Loan contract shall be concluded on August 29, 2011. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : January 31, 2017 |
| 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: 3 year and 5 month, floating interest rate >

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| 1) Scheduled Lenders | : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Aozora Bank, Ltd.
Resona Bank, Limited
The Bank of Fukuoka |
| 2) Scheduled Amount | : 5,300,000,000 yen |
| 3) Interest rate | : Base rate (JBA 1month yen TIBOR) + 0.65% (Note1) |
| 4) Planned drawdown date | : August 31, 2011 |
| 5) Debt financing method | : Loan contract shall be concluded on August 29, 2011. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : January 31, 2015 |
| 8) Collateral/guarantee | : Unsecured and non-guaranteed. |

<Long-term loan: 4 year and 4 month, floating interest rate >

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|----------------------|---|
| 1) Scheduled Lenders | : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
The Sumitomo Trust & Banking Co., Ltd.
Mitsubishi UFJ Trust and Banking Corporation
The Norinchukin Bank
The Bank of Fukuoka |
|----------------------|---|

- 2) Scheduled Amount : 4,000,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.75% (Note1)
- 4) Planned drawdown date : August 31, 2011
- 5) Debt financing method : Loan contract shall be concluded on August 29, 2011.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : December 18, 2015
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

<Long-term loan: 5 year and 5 month, floating interest rate >

- 1) Scheduled Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
The Sumitomo Trust & Banking Co., Ltd.
- 2) Scheduled Amount : 1,000,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.80% (Note1)
- 4) Planned drawdown date : August 31, 2011
- 5) Debt financing method : Loan contract shall be concluded on August 29, 2011.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : January 31, 2017
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

3. Details of Repayment

Loan based on the loan contract dated August 25, 2006.

- 1) Lenders : The Dai-ichi Life Insurance Company, Limited
- 2) Loan Amount : 903,235,000 yen
- 3) Amount of Repayment : 903,235,000 yen (Note2)
- 4) Principal Repayment date : August 31, 2011
- 5) Planned Date of Repayment : August 31, 2011

Loan based on the loan contract dated November 26, 2009.

- 1) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
The Chuo Mitsui Trust and Banking Company, Limited
Mitsubishi UFJ Trust and Banking Corporation
The Sumitomo Trust & Banking Co., Ltd.
Resona Bank, Limited
The Norinchukin Bank
Aozora Bank, Ltd.
- 2) Loan Amount : 9,484,195,239 yen
- 3) Amount of Repayment : 9,484,195,239 yen (Note2)
- 4) Principal Repayment date : August 31, 2011
- 5) Planned Date of Repayment : August 31, 2011

(Note1) • 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.

(Note2) The balance of 87,430,239 yen between the amount listed on the “2. Debt Financing ” of 10,300,000,000 yen and the repayment amount of 10,387,430,239 yen will be repaid using cash on hand.

Reference Material : Debt Financing Balance

(As of September 1, 2011)

(JPY:thousand)

	Before Refinancing	After Refinancing (Note 3)	Increase (Decrease)
Short-term Loans(Note 4)	0	0	—
Long-term Loans(Note 4)	140,139,212	145,876,782	5,737,569
Total Loans	140,139,212	145,876,782	5,737,569
Corporate Investment Bonds	46,500,000	46,500,000	—
Total interest-bearing debt	186,639,212	192,376,782	5,737,569

※Loan Balances are rounded down.

(Note3) The calculation of the outstandings are based on the assumption that the repayment of 600,000,000 yen announced August 31, 2011 and the amortization repayment of 75,000,000 yen on August 31, 2011 are executed.

(Note4) Short-term loans are loans with repayment dates within one year and long-term loans are loans with repayment dates that are more than one year away.

* 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.