



September 27, 2011

For Immediate Release

Advance Residence Investment Corporation  
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### **Notice Concerning Debt Financing**

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

#### 1. Debt Financing

##### (1) Reason for debt financing

The fund will be used to acquire assets ( RESIDIA Ogikubo, RESIDIA Kyomachibori) as detailed below.

##### (2) Details of debt financing

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

- |                               |  |
|-------------------------------|--|
| 1) Scheduled Lenders          | : Mitsubishi UFJ Trust and Banking Corporation                               |
| 2) Scheduled Amount           | : 1,000,000,000 yen  |
| 3) Interest rate              | : Base rate (JBA 3month yen TIBOR) + 0.95% (Note1)                           |
| 4) Planned drawdown date      | : September 29, 2011   |
| 5) Debt financing method      | : Loan contract shall be concluded on September 27, 2011.                    |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date   | : September 28, 2018   |
| 8) Collateral/guarantee       | : Unsecured and non-guaranteed.  |



< Short-term loan: 1 year, 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 : 1,820,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.95% (Note2)
- 4) Planned drawdown date : October 5, 2011
- 5) Debt financing method : Loan based on the Loan Commitment agreement signed on April 28, 2011.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : October 5, 2012
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

- (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) • Interest payment dates are, last business day of January, April, July, October 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.



Reference Material : Debt Financing Balance

(As of October 5, 2011)

(JPY:thousand)

	Before Refinancing	After Refinancing	Increase (Decrease)
Short-term Loans (Note 3)	0	1,820,000	1,820,000
Long-term Loans (Note 3)	145,876,782	146,876,782	1,000,000
Total Loans	145,876,782	148,696,782	2,820,000
Corporate Investment Bonds	46,500,000	46,500,000	—
Total interest-bearing debt	192,376,782	195,196,782	2,820,000

(Note3) 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]*

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