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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) announced today its decisions regarding debt financing and repayment of loans (Including early repayment of loans) as detailed below.

1 . Debt Financing

( 1 ) Reason for debt financing

The funds will be used to repay of loans. (Including early repayment of loans)

( 2 ) Details of debt financing

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

- |                               |  |
|-------------------------------|--|
| 1) Scheduled Lenders          | : The Norinchukin Bank   |
| 2) Scheduled Amount           | : 2,000,000,000 yen  |
| 3) Interest rate              | : Base rate (JBA 1 month yen TIBOR) + 0.61% (Note1)                          |
| 4) Planned drawdown date      | : December 26, 2011  |
| 5) Debt financing method      | : Loan contract shall be concluded on December 21, 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: 4 year 11 month, 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  
The Norinchukin Bank  
Mitsui Sumitomo Insurance Company, Limited
- 2) Scheduled Amount : 5,000,000,000 yen
- 3) Interest rate : Base rate (JBA 3 month yen TIBOR) + 0.68% (Note2)
- 4) Planned drawdown date : December 26, 2011
- 5) Debt financing method : Loan contract shall be concluded on December 21, 2011.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : November 30, 2016
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

< Long-term loan: 4 year 11 month, fixed interest rate >

- 1) Scheduled Lenders : Taiyo Life Insurance Company
- 2) Scheduled Amount : 1,500,000,000 yen
- 3) Interest rate : TBD (Note3)
- 4) Planned drawdown date : December 26, 2011
- 5) Debt financing method : Loan contract shall be concluded on December 21, 2011.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : November 30, 2016
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

< Long-term loan: 4 year 6 month, floating interest rate >

- 1) Scheduled Lenders : Sumitomo Mitsui Banking Corporation  
Mizuho Corporate Bank  
Resona Bank, Limited
- 2) Scheduled Amount : 2,900,000,000 yen
- 3) Interest rate : Base rate (JBA 3 month yen TIBOR) + 0.65% (Note2)
- 4) Planned drawdown date : January 25, 2012
- 5) Debt financing method : Loan contract shall be concluded on December 21, 2011.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : July 29, 2016
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

< Long-term loan: 6 year 6 month, 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  
Mitsubishi UFJ Trust and Banking Corporation  
Development Bank of Japan  
Shinsei Bank
- 2) Scheduled Amount : 5,550,000,000 yen
- 3) Interest rate : Base rate (JBA 3 month yen TIBOR) + 0.81% (Note2)
- 4) Planned drawdown date : January 25, 2012

- 5) Debt financing method : Loan contract shall be concluded on December 21, 2011.  
 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.  
 7) Principal repayment date : July 31, 2018  
 8) Collateral/guarantee : Unsecured and non-guaranteed.

## 2. Details of Repayment

Loan based on the loan contract dated December 20, 2006.

- 1) Lenders : Taiyo Life Insurance Company  
 The Dai-ichi Life Insurance Company, Limited  
 Mitsui Sumitomo Insurance Company, Limited  
 The Norinchukin Bank  
 The Hachijuni Bank, Ltd.  
 2) Loan Amount : 8,580,811,000 yen  
 3) Amount of Repayment : 8,580,811,000 yen (Note4)  
 4) Principal Repayment date : December 26, 2011  
 5) Planned Date of Repayment : December 26, 2011

Loan based on the term loan contract dated January 23, 2008.

- 1) Lenders : Aozora Bank, Ltd.  
 Mitsubishi UFJ Trust and Banking Corporation  
 Development Bank of Japan  
 Shinsei Bank  
 Resona Bank, Limited  
 Oita Bank  
 The Hachijuni Bank, Ltd.  
 2) Loan Amount : 5,070,520,000 yen  
 3) Amount of Repayment : 5,070,520,000 yen (Note5)  
 4) Principal Repayment date : January 25, 2012  
 5) Planned Date of Repayment : January 25, 2012

### 3. Details of Early Repayment

Loan based on the commitment line agreement dated April 28, 2011.

Principal Repayment date : January 25, 2012

(JPY:yen)

| Drawdown date     | Planned Date of Repayment | Lenders  | Loan outstanding before repayment [A] | Early repayment amount (planned) [B](Note5) | Loan outstanding after repayment [A]-[B] |
|-------------------|---------------------------|--|---------------------------------------|---|--|
| October 5, 2011   | October 5, 2012           | The Bank of Tokyo-Mitsubishi UFJ, Ltd.<br>The Sumitomo Trust & Banking Co., Ltd.<br>Sumitomo Mitsui Banking Corporation<br>Mizuho Corporate Bank | 1,820,000                             | 1,820,000                                   | 0  |
| November 18, 2011 | November 18, 2012         | The Bank of Tokyo-Mitsubishi UFJ, Ltd.<br>The Sumitomo Trust & Banking Co., Ltd.<br>Sumitomo Mitsui Banking Corporation<br>Mizuho Corporate Bank | 2,600,000                             | 1,560,000                                   | 1,040,000                                |
| Total             |                           |  | 4,420,000                             | 3,380,000                                   | 1,040,000                                |

(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) • 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.

(Note3) • The interest rate will be disclosed separately when it is finalized.

(Note4) • The balance of 80,811,000 yen between the amount listed on the “1. Debt Financing ” of 8,500,000,000 yen (Planned drawdown date December 26, 2011) and the repayment amount of 8,580,811,000 yen (Planned repayment date December 26, 2011) will be repaid using cash on hand.

(Note5) • The balance of 520,000 yen between the amount listed on the “1. Debt Financing ” of 8,450,000,000 yen (Planned drawdown date January 25, 2012) and the repayment amount of 8,450,520,000 yen (Planned repayment date January 25, 2012) will be repaid using cash on hand.

Reference Material : Debt Financing Balance(As of January 25, 2012)

(JPY:thousand)

|                                | Before<br>Refinancing(Note3) | After Refinancing | Increase<br>(Decrease) |
|--------------------------------|------------------------------|-------------------|------------------------|
| Short-term<br>Loans(Note 6)    | 4,420,000                    | 1,040,000         | -3,380,000             |
| Long-term<br>Loans(Note 6)     | 149,166,885                  | 152,465,554       | 3,298,669              |
| Total Loans                    | 153,618,407                  | 153,586,885       | 153,505,554            |
| Corporate Investment<br>Bonds  | 41,500,000                   | 41,500,000        | 41,500,000             |
| Total interest-bearing<br>debt | 195,118,407                  | 195,086,885       | 195,005,554            |

(Note7) Short-term loans are loans with repayment dates within one year and long-term loans are loans with repayment dates over 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>

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