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For Immediate Release

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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 Nakamurabashi, RESIDIA Kachidoki, RESIDIA Ocyanomizu, RESIDIA Omori) as detailed below.

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

< 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	:	3,050,000,000 yen
3) Interest rate	:	Base rate (JBA 1month yen TIBOR) +0.95% (Note1)
4) Planned drawdown date	:	March 1, 2012
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	:	February 28, 2013
8) Collateral/guarantee	:	Unsecured and non-guaranteed.



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

- 1) Scheduled Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd.  
 2) Scheduled Amount : 2,850,000,000 yen  
 3) Interest rate : 1.23250%  
 4) Planned drawdown date : February 28, 2012  
 5) Debt financing method : Loan contract shall be concluded on February 24, 2012.  
 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.  
 7) Principal repayment date : February 28, 2018  
 8) Collateral/guarantee : Unsecured and non-guaranteed.

- (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.

Reference Material : Debt Financing Balance (As of March 1, 2012)

(JPY:thousand)

	Before Refinancing (Note 2)	After Refinancing (Note 3)	Increase (Decrease)
Short-term Loans (Note 4)	7,540,000	10,590,000	3,050,000
Long-term Loans (Note 4)	161,062,179	163,837,179	2,775,000
Total Loans	168,602,179	174,427,179	5,825,000
Corporate Investment Bonds	29,500,000	29,500,000	-
Total interest-bearing debt	198,102,179	203,927,179	5,825,000

- (Note2) The calculation of the outstandings are based on the assumption that the February 28, 2012 short-term loan debt financing is executed. Please refer to the "Notice Concerning Debt Financing" dated February 21, 2012 for details.  
 (Note3) The calculation of the outstandings are based on the assumption that the February 29, 2012 amortization repayment(75 million) is 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]

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Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.