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For Immediate Release

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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 as detailed below.

1 . Debt Financing

(1) Reason for debt financing (Total:10,270,000,000 yen)

The fund will be used to acquire the asset (RESIDIA Miyakojima I • II)^(Note1) and repay a existing loans (6,916,396,000 yen) as detailed below.

(Note1) Please refer to the press release “Notice Concerning Acquisition of Investment Assets (RESIDIA Miyakojima I • II)” dated today.

(2) Details of debt financing

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

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|-------------------------------|--|
| 1) Scheduled Lender | : The Bank of Tokyo-Mitsubishi UFJ, Ltd. |
| 2) Scheduled Amount | : 1,200,000,000 yen ^(Note2) |
| 3) Interest rate | : TBD ^(Note3) |
| 4) Planned drawdown date | : March 29, 2013 |
| 5) Debt financing method | : Loan based on the loan contract that shall be signed on March 27, 2013. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : March 24, 2020 |
| 8) Collateral/guarantee | : Unsecured and non-guaranteed |

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

- | | |
|-------------------------------|--|
| 1) Scheduled Lender | : Sumitomo Mitsui Trust Bank, Limited |
| 2) Scheduled Amount | : 1,200,000,000 yen ^(Note2) |
| 3) Interest rate | : TBD ^(Note3) |
| 4) Planned drawdown date | : March 29, 2013 |
| 5) Debt financing method | : Loan based on the loan contract that shall be signed on March 27, 2013. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : March 24, 2020 |
| 8) Collateral/guarantee | : Unsecured and non-guaranteed |

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

- 1) Scheduled Lender : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- 2) Scheduled Amount : 1,300,000,000 yen^(Note2)
- 3) Interest rate : TBD^(Note3)
- 4) Planned drawdown date : March 29, 2013
- 5) Debt financing method : Loan based on the loan contract that shall be signed on March 27, 2013.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : March 24, 2020
- 8) Collateral/guarantee : Unsecured and non-guaranteed

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

- 1) Scheduled Lender : Sumitomo Mitsui Trust Bank, Limited
- 2) Scheduled Amount : 1,300,000,000 yen^(Note2)
- 3) Interest rate : TBD^(Note3)
- 4) Planned drawdown date : March 29, 2013
- 5) Debt financing method : Loan based on the loan contract that shall be signed on March 27, 2013.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : March 24, 2020
- 8) Collateral/guarantee : Unsecured and non-guaranteed

< Long-term loan: 8 year, fixed interest rate >

- 1) Scheduled Lender : Development Bank of Japan
- 2) Scheduled Amount : 1,150,000,000 yen^(Note2)
- 3) Interest rate : TBD^(Note3)
- 4) Planned drawdown date : March 29, 2013
- 5) Debt financing method : Loan based on the loan contract that shall be signed on March 27, 2013.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : March 24, 2021
- 8) Collateral/guarantee : Unsecured and non-guaranteed

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

- 1) Scheduled Lenders : Sumitomo Mitsui Trust Bank, Limited
Aozora Bank, Ltd.
Resona Bank, Limited
- 2) Scheduled Amount : 4,120,000,000 yen^(Note2)
- 3) Interest rate : Base rate (JBA 3month yen TIBOR) + 0.45%^(Note4)
- 4) Planned drawdown date : March 29, 2013
- 5) Debt financing method : Loan based on the loan contract that shall be signed on March 27, 2013.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : March 24, 2020
- 8) Collateral/guarantee : Unsecured and non-guaranteed

2. Details of Repayment

Loan based on the loan contract dated March 29, 2010.

- 1) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Sumitomo Mitsui Trust Bank, Limited
- 2) Loan Amount : 2,768,396,000 yen
- 3) Amount of Repayment : 2,768,396,000 yen^(Note2)
- 4) Principal Repayment date : March 29, 2013
- 5) Planned Date of Repayment : March 29, 2013

3. Details of Early Repayment

Loan based on the loan contract dated January 23, 2013.

Principal Repayment date : March 29, 2013

(JPY:thousand yen)

Initial Drawdown Date	Principal Repayment Deadline	Lender	Loan outstanding before repayment [A]	Early repayment amount as of March 29, 2013 [B] ^(Note2)	Loan outstanding after repayment [A]- [B]
January 25, 2013	January 24, 2014	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Trust Bank, Limited	4,148,000	4,148,000	0

(Note2) • The balance of 3,353,604,000yen between the amount listed on the “1. Debt Financing ” of 10,270,000,000 yen (Planned drawdown date March 29, 2013) and “2. Details of Repayment ” of 2,768,396,000 yen and “3. Details of Early Repayment ” of 4,148,000,000 yen (Planned repayment date March 29, 2013) will be used to acquire the asset (RESIDIA Miyakojima I ・ II).

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

(Note4) • Interest payment dates are, last business day of January, April, July, October, and the principal repayment date starting from April 2013.

• 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.

Reference Material : Debt Financing Balance(As of March 29, 2013)

(JPY:thousand yen)

	Before Refinancing	After Refinancing	Increase (Decrease)
Short-term Loans ^(Note 5)	4,148,000	0	-4,148,000
Long-term Loans ^(Note 5)	171,943,950	179,445,554	7,501,604
Total Loans	176,091,950	179,445,554	3,353,604
Investment Corporate Bonds	30,000,000	30,000,000	-
Total interest-bearing debt	206,091,950	209,445,554	3,353,604

(Note5) Short-term loans are loans with original repayment dates within one year and long-term loans are loans with original 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>

[Provisional Translation Only]

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