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For Immediate Release

Advance Residence Investment Corporation
Securities Code : 3269
3-26 Kanda Nishiki-cho, Chiyoda-ku, Tokyo
Kenji Kousaka, Executive Director

Asset Management Company:
AD Investment Management Co., Ltd.
Kenji Kousaka, President

Inquiries:
Tomoyuki Kimura, Director and General Manager
Corporate Management Department
TEL. +81-3-3518-0480

Notice Concerning Debt Financing and Repayment of Loan

Advance Residence Investment Corporation (ADR) announced today its decisions regarding debt financing and repayment of loan as detailed below.

1. Debt Financing

(1) Reason for debt financing (Total:4,458,000,000 yen)

The fund will be used to repay a existing loan (4,470,571,000 yen) as detailed below.

(2) Details of debt financing

<Long-term loan: 8 year 6 month, floating interest rate>

- | | |
|-------------------------------|--|
| 1) Scheduled Lender | : Mizuho Corporate Bank |
| 2) Scheduled Amount | : 2,16,000,000 yen ^(Note1) |
| 3) Interest rate | : Base rate (JBA 3month yen TIBOR) +0.60% ^(Note2) |
| 4) Planned drawdown date | : June 25, 2013 |
| 5) Debt financing method | : Loan based on the loan contract that shall be signed on June 21, 2013. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : December 22, 2021 |
| 8) Collateral/guarantee | : Unsecured and non-guaranteed |

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

- | | |
|-------------------------------|--|
| 1) Scheduled Lender | : Aozora Bank, Ltd.
Resona Bank, Limited |
| 2) Scheduled Amount | : 2,298,000,000 yen ^(Note1) |
| 3) Interest rate | : Base rate (JBA 3month yen TIBOR) +0.55% ^(Note2) |
| 4) Planned drawdown date | : June 25, 2013 |
| 5) Debt financing method | : Loan based on the loan contract that shall be signed on June 21, 2013. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : June 25, 2021 |
| 8) Collateral/guarantee | : Unsecured and non-guaranteed |

2. Details of Repayment

Loan based on the loan contract dated June 23, 2008.

- 1) Lenders : Mizuho Corporate Bank
Aozora Bank, Ltd.
Resona Bank, Limited
- 2) Loan Amount : 4,470,571,000 yen
- 3) Amount of Repayment : 4,470,571,000 yen^(Note1)
- 4) Interest rate : Base rate (JBA 3month yen TIBOR) +0.75%
- 5) Principal Repayment date : June 25, 2013
- 6) Planned Date of Repayment : June 25, 2013

(Note1) • The balance of 12,571,000yen between the amount listed on the “1. Debt Financing ” of 4,458,000,000 yen and “2. Details of Repayment ” of 4,470,571,000 yen will be repaid using cash on hand..

(Note2) • Interest payment dates are, last business day of January, April, July, October, and the principal repayment date starting from July 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 June 25, 2013)

(JPY:thousand yen)

	Before Refinancing	After Refinancing	Increase (Decrease)
Short-term Loans ^(Note 3)	0	0	-
Long-term Loans ^(Note 3)	177,276,257	177,263,686	-12,571
Total Loans	177,276,257	177,263,686	-12,571
Investment Corporate Bonds	33,000,000	33,000,000	-
Total interest-bearing debt	210,276,257	210,263,686	-12,571

(Note3) 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.