

September 5, 2012

For Immediate Release

Advance Residence Investment Corporation
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Notice Concerning Issuance of Investment Corporation Bonds

Advance Residence Investment Corporation (ADR) announced its decision today to issue investment corporation bonds as follows, based on the general resolution on ADR bond issuance adopted at the Board of Directors' Meeting held on April 29, 2012.

1. Outline of Investment Corporation Bonds

(1) Name of Investment Corporation Bond

- ADR Unsecured Bond #17 (Bond #17)

(with *Pari Passu* clause among specified investment corporation bonds) (Bond #17)

- ADR Unsecured Bond #18 (Bond #18)

(with *Pari Passu* clause among specified investment corporation bonds) (Bond #18)

In the following items, matters common to the Bond #17 and Bond #18 are not described separately with regard to the respective series.

(2) Total Amount of Bonds

Bond #17	8 billion yen
Bond #18	4 billion yen
Total	12 billion yen

(3) Form of Investment Corporation Bond Certificates

Under the applicable Act of Book-Entry Transfer of Company Bonds, Shares, etc., there are no bond certificates for both Bond #17 and Bond #18.

(4) Issue Price

100 yen per par value of 100 yen for each bond

(5) Redemption Price

100 yen per par value of 100 yen for each bond

(6) Coupon Rate

Bond #17	0.87%
Bond #18	1.23%



- (7) Denomination of Each Bond
100 million yen
- (8) Offering Method
Public offering
- (9) Offering Period
September 5, 2012 (Wednesday)
- (10) Issue Date
September 12, 2012 (Wednesday)
- (11) Collateral / Guarantee
No collateral or guarantee is on the bonds and no assets are reserved as security specifically for the bonds.
- (12) Redemption Method and Redemption Date
Bond #17 The entire principal shall be redeemed on September 12, 2017.
Bond #18 The entire principal shall be redeemed on September 12, 2019.

The bonds may be purchased and cancelled at any time on and after the date following the issue date unless otherwise stipulated by the depository.
- (13) Coupon Payment Dates
March 12 and September 12 every year
- (14) Financial Covenants
Contains a negative pledge.
- (15) Acquired Ratings
AA- (JCR)
- (16) Fiscal, Issuing and Paying Agent
Mizuho Corporate Bank, Ltd.
- (17) Underwriters

Bond #17 Mizuho Securities Co., Ltd., SMBC Nikko Securities, Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

Bond #18 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
SMBC Nikko Securities, Ltd., Mizuho Securities Co., Ltd.

2. Purpose of the Issuance

The funds will be used to redeem the Nippon Residential Investment Corporation's 10th Series Unsecured Investment Corporation Bond (4,800 million yen) and the part of Nippon Residential Investment Corporation's 3rd Series Unsecured Investment Corporation Bond (9,700 million yen).

3. Amount, Use and Scheduled Expenditure Date of Proceeds

(1) Amount (estimated net proceeds)

Bond #17	7,960 million yen
Bond #18	3,977 million yen
Total	11,937 million yen

(2) Specific Use and Scheduled Expenditure Date of Proceeds

The proceeds will be used redeem the Nippon Residential Investment Corporation's 10th Series Unsecured Investment Corporation Bond that is due on September 13, 2012 (4,800 million yen) and the part of Nippon Residential Investment Corporation's 3th Series Unsecured Investment Corporation Bond that is due on September 24, 2012 (9,700 million yen).

Status of Interest-Bearing Debts after the Issuance of the Investment Corporation Bonds

(As of September 24, 2012)

(thousand yen)

	Before Issuance	After Issuance	Difference (Note 1)
Short-term loans (Note 2)	1,500,000	1,500,000	-
Long-term loans (Note 2)	167,269,511	169,769,511	2,500,000
Total loans	168,769,511	171,269,511	2,500,000
Investment Corporation Bonds	37,500,000	35,000,000	-2,500,000
Total interest-bearing debt	206,269,511	206,269,511	-

(Note 1) The balance of 2,500,000,000 yen between the amount listed on the "1. (2) Total Amount of Bonds" of 12,000,000,000 yen and the redemption amount of 14,500,000,000 yen (Planned redemption date September 13, 2012 and September 24, 2012) will be repaid using debt financing.

(Note 2) Short-term loans are loans with maturity periods of one year or less and long-term loans are loans with maturity periods of over one year.

* 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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