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For Immediate Release

Advance Residence Investment Corporation  
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### **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:6,100,000,000 yen)

The fund will be used to repay a existing loan (8,603,422,000 yen) as detailed below.

(2) Details of debt financing

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

- |                               |  |
|-------------------------------|--|
| 1) Scheduled Lender           | : The Bank of Tokyo-Mitsubishi UFJ, Ltd.<br>Sumitomo Mitsui Trust Bank, Limited<br>Sumitomo Mitsui Banking Corporation |
| 2) Scheduled Amount           | : 6,100,000,000 yen <sup>(Note1)</sup>   |
| 3) Interest rate              | : Base rate (JBA 3month yen TIBOR) +0.60% <sup>(Note2)</sup>   |
| 4) Planned drawdown date      | : April 30, 2013   |
| 5) Debt financing method      | : Loan based on the loan contract that shall be signed on April 25, 2013.  |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date.   |
| 7) Principal repayment date   | : October 29, 2021   |
| 8) Collateral/guarantee       | : Unsecured and non-guaranteed   |

#### 2. Details of Repayment

Loan based on the loan contract dated August 27, 2009.

- |                              |  |
|------------------------------|--|
| 1) Lenders                   | : The Bank of Tokyo-Mitsubishi UFJ, Ltd.<br>Sumitomo Mitsui Trust Bank, Limited<br>Sumitomo Mitsui Banking Corporation |
| 2) Loan Amount               | : 8,603,422,000 yen  |
| 3) Amount of Repayment       | : 8,603,422,000 yen <sup>(Note1)</sup>   |
| 4) Interest rate             | : Base rate (JBA 1month yen TIBOR) +2.00%  |
| 5) Principal Repayment date  | : April 30, 2013   |
| 6) Planned Date of Repayment | : April 30, 2013   |

- (Note1) • The balance of 2,503,422,000yen between the amount listed on the “1. Debt Financing ” of 6,100,000,000 yen and “2. Details of Repayment ” of 8,603,422,000 yen will be used to the fund of. ADR Unsecured Bond #19 (Bond #19) announced on April 18, 2013 “Notice Concerning Issuance of Investment Corporation Bond”.
- (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 April 30, 2013)

(JPY:thousand yen)

|   | Before Refinancing | After Refinancing | Increase<br>(Decrease) |
|---|--------------------|-------------------|------------------------|
| Short-term<br>Loans <sup>(Note 5)</sup> | 0                  | 0                 | -                      |
| Long-term<br>Loans <sup>(Note 5)</sup>  | 180,445,554        | 177,338,757       | -3,106,797             |
| Total Loans                             | 180,445,554        | 177,338,757       | -3,106,797             |
| Investment Corporate<br>Bonds           | 30,000,000         | 33,000,000        | 3,000,000              |
| Total interest-bearing<br>debt          | 210,445,554        | 210,338,757       | -106,797               |

(Note3) The calculation of the outstandings are based on the assumption that the Issuance of Investment Corporation Bond and the repayment of existstng loan announced on the April 18 and the April 30, 2013 amortization repayment (3,375,000 yen) are executed.

(Note4) 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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