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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) Purpose for the debt financing (Total:6,150,000,000 yen)

The fund will be used to repay a existing loan (7,717,577,000 yen) as detailed below.

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

<Long-term loan: 10 year, floating interest rate>

- |                               |  |
|-------------------------------|--|
| 1) Scheduled Lender           | : Sumitomo Mitsui Trust Bank, Limited  |
| 2) Scheduled Amount           | : 2,600,000,000 yen <sup>(Note1)</sup>                                       |
| 3) Interest rate              | : Base rate (JBA 3month yen TIBOR) +0.63% <sup>(Note2)</sup>                 |
| 4) Planned drawdown date      | : November 15, 2013  |
| 5) Debt financing method      | : Loan based on the loan contract that shall be signed on November 13, 2013. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date   | : November 15, 2023  |
| 8) Collateral/guarantee       | : Unsecured and non-guaranteed   |

<Long-term loan: 9 year, floating interest rate>

- |                               |  |
|-------------------------------|--|
| 1) Scheduled Lender           | : Sumitomo Mitsui Banking Corporation  |
| 2) Scheduled Amount           | : 3,550,000,000 yen <sup>(Note1)</sup>                                       |
| 3) Interest rate              | : Base rate (JBA 3month yen TIBOR) +0.62% <sup>(Note2)</sup>                 |
| 4) Planned drawdown date      | : November 15, 2013  |
| 5) Debt financing method      | : Loan based on the loan contract that shall be signed on November 13, 2013. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date   | : November 15, 2022  |
| 8) Collateral/guarantee       | : Unsecured and non-guaranteed   |

## 2. Details of Repayment of existing loan

The loan to be repaid is based on the loan contract dated November 22, 2010.

- 1) Lender : Sumitomo Mitsui Trust Bank, Limited  
Sumitomo Mitsui Banking Corporation  
Aozora Bank, Ltd.
- 2) Loan Amount : 7,717,577,000 yen
- 3) Amount of Repayment : 7,717,577,000 yen<sup>(Note1)</sup>
- 4) Principal Repayment date : November 15, 2013
- 5) Planned Date of Repayment : November 15, 2013

- (Note2) • The balance of 1,567,577,000 yen between the amount listed on the Long-term loan of 6,150,000,000 yen and the repayment amount of 7,717,577,000 yen will be repaid from net proceeds of 2,000,000,000 yen bond issuance (Please refer to the “Notice Concerning Issuance of Investment Corporation Bond” for details.) .
- (Note2) • Interest payment dates are, last business day of January, April, July, October, and the principal repayment date starting from January, 2014.
- 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 November 15, 2013)

(JPY:thousand yen)

	Before Refinancing	After Refinancing	Increase (Decrease)
Short-term Loans <sup>(Note 3)</sup>	0	0	-
Long-term Loans <sup>(Note 3)</sup>	180,683,047	179,115,470	-1,567,577
Total Loans	180,683,047	179,115,470	-1,567,577
Investment Corporate Bonds	33,000,000	35,000,000	2,000,000
Total interest-bearing debt	213,683,047	214,115,470	432,423

(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.