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For Immediate Release

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Notice Concerning Debt Financing

Advance Residence Investment Corporation (ADR) announced today its decisions regarding debt financing.

1. Debt Financing

(1) Purpose for the debt financing (12,500,000,000 yen)

The funds procured from the debt financing as detailed below, will be used to acquire the beneficiary interests in trust (Chester Court Ochanomizu and 7 other properties) ^(Note1) as detailed below.

(Note1) Please refer to the press release "Notice Concerning Acquisition of Investment Asset (RESIDIA Minami-Shinagawa and 8 other properties)" dated January 29, 2015.

(2) Details of debt financing

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

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| 1) Scheduled Lenders | : The Yamaguchi Bank, Ltd |
| 2) Scheduled Amount | : 500,000,000 yen |
| 3) Interest rate | : Base rate (JBA 1month yen TIBOR) + 0.43% ^(Note2) |
| 4) Planned drawdown date | : April 14, 2015 |
| 5) Debt financing method | : Loan contract shall be concluded on April 10, 2015. |
| 6) Principal repayment method | : The principal shall be repaid in lump sum on the principal repayment date. |
| 7) Principal repayment date | : April 14, 2025 |
| 8) Collateral/guarantee | : Unsecured and non-guaranteed. |



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

- 1) Scheduled Lenders : Nippon Life Insurance Company
- 2) Scheduled Amount : 1,000,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.43% ^(Note2)
- 4) Planned drawdown date : April 14, 2015
- 5) Debt financing method : Loan contract shall be concluded on April 10, 2015.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : April 14, 2025
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

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

- 1) Scheduled Lenders : Mizuho Trust & Banking
- 2) Scheduled Amount : 1,400,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.38% ^(Note2)
- 4) Planned drawdown date : April 14, 2015
- 5) Debt financing method : Loan contract shall be concluded on April 10, 2015.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : April 12, 2024
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

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

- 1) Scheduled Lenders : Mizuho Trust & Banking
The Norinchukin Bank
- 2) Scheduled Amount : 2,700,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.32% ^(Note2)
- 4) Planned drawdown date : April 14, 2015
- 5) Debt financing method : Loan contract shall be concluded on April 10, 2015.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : April 14, 2023
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

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

- 1) Scheduled Lenders : The Yamaguchi Bank
- 2) Scheduled Amount : 500,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.30% ^(Note2)
- 4) Planned drawdown date : April 14, 2015
- 5) Debt financing method : Loan contract shall be concluded on April 10, 2015.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : April 14, 2023
- 8) Collateral/guarantee : Unsecured and non-guaranteed.



< Long-term loan: 7 year 6 month, floating interest rate >

- 1) Scheduled Lenders : Mizuho Trust & Banking
- 2) Scheduled Amount : 1,200,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.29% (Note2)
- 4) Planned drawdown date : April 14, 2015
- 5) Debt financing method : Loan contract shall be concluded on April 10, 2015.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : October 14, 2022
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

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

- 1) Scheduled Lenders : The Tokyo Tomin Bank, Limited.
The Iyo Bank, Ltd.
The 77 Bank, Ltd.
- 2) Scheduled Amount : 1,700,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.26% (Note2)
- 4) Planned drawdown date : April 14, 2015
- 5) Debt financing method : Loan contract shall be concluded on April 10, 2015.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : April 14, 2022
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

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

- 1) Scheduled Lenders : The Norinchukin Bank
- 2) Scheduled Amount : 1,000,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.20% (Note2)
- 4) Planned drawdown date : April 14, 2015
- 5) Debt financing method : Loan contract shall be concluded on April 10, 2015.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : April 14, 2021
- 8) Collateral/guarantee : Unsecured and non-guaranteed.

< Long-term loan: 3 year , floating interest rate >

- 1) Scheduled Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Sumitomo Mitsui Trust Bank, Limited
Mizuho Bank, Ltd.
- 2) Scheduled Amount : 2,500,000,000 yen
- 3) Interest rate : Base rate (JBA 1month yen TIBOR) + 0.17% (Note2)
- 4) Planned drawdown date : April 14, 2015
- 5) Debt financing method : Loan contract shall be concluded on April 10, 2015.
- 6) Principal repayment method : The principal shall be repaid in lump sum on the principal repayment date.
- 7) Principal repayment date : April 13, 2018
- 8) Collateral/guarantee : Unsecured and non-guaranteed.



(Note2)

- Interest payment dates are, last business day of every month starting from April 2015 and the principal repayment date.
- JBA 1 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 1 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.jbatibor.or.jp/english/>) for the 1 month yen TIBOR.

Reference Material : Debt Financing Balance (As of April 14, 2015)

(JPY:thousand)

	Before Refinancing	After Refinancing	Increase (Decrease)
Short-term Loans ^(Note 3)	0	0	0
Long-term Loans ^(Note 3)	179,498,462	191,998,462	12,500,000
Total Loans	179,498,462	191,998,462	12,500,000
Corporate Investment Bonds	37,500,000	37,500,000	—
Total interest-bearing debt	216,998,462	229,498,462	12,500,000

(Note3) Short-term loans are loans with repayment dates within one year from drawdown date and long-term loans are loans with repayment dates that are more than one year away.

* URL: <http://www.adr-reit.com/en/>

[Provisional Translation Only]

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