

March 19, 2024

For Immediate Release

Real Estate Investment Trust Securities Issuer:
Advance Residence Investment Corporation
(Securities Code : 3269)
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Notice Concerning Debt Financing (Green Loan) and Repayment of Loan

Advance Residence Investment Corporation (ADR) announced today its decisions to borrow funds to repay Loan coming due.

This loan is a green loan to be executed in accordance with the Green Finance Framework (hereinafter referred to as the "Framework") developed by ADR and this is the first green loan for ADR. Going forward, ADR will continue to promote ESG considerations in its asset management and enhance our financing base by procuring funds through green finance.

1. Debt Financing (drawdown date: March 29, 2024)

(1) Details of the debt financing

(JPY:million)

No.	Lender	Planned Drawdown Date	Loan Amount	Interest Rate	Principal Repayment date	Repayment Period	Principal Repayment	Collateral/ Guarantee
1	Sumitomo Mitsui Trust Bank, Limited (Green Loan) ^{Note1}	March 29, 2024	1,500	Base rate ^{Note2} +0.21000%	March 31, 2034	10.0 year	Pay in full on the maturity date	Unsecured Non-guaranteed
2	Sumitomo Mitsui Trust Bank, Limited (Green Loan) ^{Note1}		1,500	Base rate ^{Note2} +0.15500%	March 30, 2029	5.0 year		
	Total or Weighted Average		3,000			7.5 year		

Note1 • For more information on the Green Finance Framework, please refer to the "Green Finance" page of ADR's website (<https://www.adr-reit.com/en/sustain/07>).

Note2 • Interest payment dates are the last business day of January, April, July, October, starting April, 30, 2024 and ending on the principal repayment date.

• The 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 for the 1 month yen TIBOR. (<http://www.jbatibor.or.jp/english/>)

(2) Purpose of the Debt Financing

To fund the early repayment of loan as described in the "Notice Concerning Early Repayment of Loan" announced on March 14, 2024.

(3) Scheduled contract date of green loan

March 27, 2024

2. Amount and Purpose of the Debt Financing

(1) Amount of the debt financing

3,000 million yen

(2) Purpose of the debt financing

The funds will be used for the prepayment of borrowings as described in "3. Details of the Loan to be Repaid". The borrowings were procured as debt financing at the time of acquisition of RESIDIA Shinagawa Seaside. As of January 26, 2024, the property have acquired A-rank in the CASBEE certification for real estate and are Eligible Green Assets that meet the eligibility criteria under the Framework.

3. Details of the Loan to be Repaid

(JPY:million)

Lender (Note3)	Drawdown Date	Loan Amount	Interest Rate	Principal Repayment date	Repayment Period	Principal Repayment	Collateral/ Guarantee
MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd.	September 29, 2023	3,000	Base rate (Note4) +0.30000%	September 27, 2024	1.0 year	Pay in full on the maturity date	Unsecured Non-guaranteed

Note3 For details, please refer to the "Notice Concerning Early Repayment of Loan" announced on March 14, 2024.

Note4 The base rate is JBA 1 month yen TIBOR.

Reference Material: Debt Financing Balance (As of March 29, 2024)

(JPY:million)

	Before Refinancing Note5	After Refinancing	Increase (Decrease)
Short-term Loans	5,000	2,000	-3,000
Long-term Loans	190,909	193,909	3,000
Total Loans	195,909	195,909	-
Corporate Investment Bonds	31,600	31,600	-
Total interest-bearing debt	227,509	227,509	-

Note5 As of March 28, 2024

- There will be no increase or decrease in loans and investment corporation bonds by March 28, 2024.

About Advance Residence Investment Corporation

Advance Residence Investment Corporation is the largest J-REIT specializing in residential properties and is managed by ITOCHU REIT Management Co., Ltd. (IRM), the asset management company of the ITOCHU Group, investing in over 280 rental apartments located mostly in central Tokyo and in other major cities throughout Japan (AUM over 480 billion yen). ADR can be expected have a stable dividend in the long-term and can be considered as a defensive J-REIT, on back of the stable income from residential assets and with the largest dividend reserve among J-REITs.

"Advance" is the common brand name of the real estate investment corporation managed by ITOCHU REIT Management Co., Ltd.

ADR's website: <https://www.adr-reit.com/en/>

IRM's website: <https://www.itc-rm.co.jp/en/>