

Disclaimer

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October 13, 2011

To Our Unitholders

Advance Residence Investment Corporation
3-26 Kanda Nishiki-cho, Chiyoda-ku, Tokyo
Kenji Kousaka, Executive Director

Convocation Notice for 1st General Unitholders' Meeting

Advance Residence Investment Corporation ("ADR") extends its deepest condolences to all those affected by the Great East Japan Earthquake that occurred in March 2011.

It is with pleasure that we invite you to attend the 1st General Unitholders' Meeting of ADR, which will be held as set out below.

If you are unable to attend, you may exercise your voting rights in writing, so please consider the Reference Materials for General Unitholders' Meeting set out below, indicate your approval or disapproval on the enclosed *Form for Exercising Voting Rights*, and then return the form to ADR so that it arrives by no later than 5:00 P.M. on October 27, 2011 (Thursday).

In accordance with Article 93, Paragraph 1, of the *Act on Investment Trusts and Investment Corporations* (Act No. 198 of 1951; as amended) (the "***Investment Trusts Act***"), ADR has made provision for 'deemed approval' in Article 14, Paragraph 1 and 2, of ADR's current Articles of Incorporation as set out below. **Please therefore note that if you are unable to attend the General Unitholders' Meeting and do not exercise your voting rights with the *Form for Exercising Voting Rights*, you will be deemed to have approved each of the proposals being discussed at the meeting.**

(Excerpt from ADR's current Articles of Incorporation)

Article 14 Deemed Approval

1. If a unitholder is not present at a general unitholders' meeting and does not exercise his or her voting rights, the unitholder will be deemed to have approved the proposals submitted to the general unitholders' meeting (excluding, if more than one proposal is submitted and the import of two or more proposals conflict with each other, all such proposals of conflicting import).
2. The number of voting rights represented by the unitholders who are deemed to have approved the proposals under the preceding Paragraph are counted in the number of voting rights represented by the unitholders present.

Meeting Details

1. **Time and Date** October 28, 2011 (Friday) 10:00 AM
2. **Location** Tokyo Station Conference
503, 5th Floor, Sapia Tower
1-7-12 Marunouchi, Chiyoda-ku, Tokyo
(Please see the *Map to General Unitholders' Meeting* at the end of this notice.)

3. **Matters that are the Purpose of the General Unitholders' Meeting**

Matters for Resolution

- Proposal No. 1** Changes in Part of Articles of Incorporation
- Proposal No. 2** Appointment of 1 Executive Director
- Proposal No. 3** Appointment of 1 Substitute Executive Director
- Proposal No. 4** Appointment of 2 Supervisory Directors
- Proposal No. 5** Appointment of 2 Substitute Supervisory Directors

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- NB © On the day of the meeting, please submit the enclosed *Form for Exercising Voting Rights* to venue's reception.
- © If a proxy will attend in your place, please submit the power of proxy together with the *Form for Exercising Voting Rights* to venue's reception. However, in accordance with Article 12, Paragraph 1, of ADR's current Articles of Incorporation, the proxy must be 1 other ADR unitholder with voting rights.
- © After the closing of the General Unitholders' Meeting on the day, holding of a Management Performance Briefing by ADR's asset management company AD Investment Management Co., Ltd. will follow at the same venue. ADR asks that you also attend the briefing.
- © **How to find out about amendments to Reference Materials for General Unitholders' Meeting**
If it becomes necessary to amend matters that ought to be set out in the Reference Materials for General Unitholders' Meeting, the amended matters will be posted on ADR's website at <http://www.adr-reit.com/>.

Reference Materials for General Unitholders' Meeting

Proposals and Matters for Reference

Proposal No. 1 Changes in Part of Articles of Incorporation

1. Reasons for Changes

- (1) Necessary changes shall be made in accordance with revision of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957; as amended) (the "Special Taxation Measures Act") leading to revision of the Order for Enforcement of the Act on Special Measures Concerning Taxation (Cabinet Order No. 43 of 1957; as amended), which provides the requirement that the offering of investment units shall be mainly conducted in Japan as one of the requirements for application of special provisions on taxation on investment corporations. Necessary changes shall also be made in line with change in the definition of lenders, which is one of the requirements for application of special provisions on taxation on investment corporations, in accordance with revision of the Order for Enforcement of the Act on Special Measures Concerning Taxation.
- (2) Necessary establishment of new provisions and changes in the wording, etc. shall be made in accordance with revision of the Special Taxation Measures Act changing the requirements for reduction of the tax rate for registration and license tax pertaining to registration of transfer of ownership of real estate and establishing new requirements for application of special provisions on taxation upon a merger of investment corporations.
- (3) Additional provisions shall be made in the Articles of Incorporation concerning the period during which resolution on the appointment of substitute directors shall remain in force.
- (4) The type of assets that are the targets of asset management shall be changed in order to allow investment to be made in assets that are recognized to be necessary or useful under ADR's basic policy of asset management.
- (5) Necessary changes in the wording, etc. shall be made in order to change the asset valuation method for investments in silent partnership equity interests concerning real estate and other assets to a reasonable method.
- (6) The Articles of Incorporation shall be simplified by deleting provisions that were made upon the establishment of ADR of which the clauses are no longer necessary or the clauses have had the procedures completed, and other necessary changes for changing the wording, revising expressions, realigning article numbers, etc. shall be made.

2. Content of Changes

The content of changes is as follows:

(Changes are underlined)

Current Articles of Incorporation	Proposed Changes
<p>Article 5 Total Number of Investment Units Authorized to be Issued</p> <ol style="list-style-type: none"> (omitted) The proportion of the aggregate amount representing the investment units issued by the Investment Corporation in Japan shall exceed 50% of the total amount representing the investment units <u>issued by</u> the Investment Corporation. (omitted) <p>Article 12 Voting by Proxy</p> <ol style="list-style-type: none"> (omitted) In the event of the preceding Paragraph, the relevant unitholder or proxy shall submit a document certifying the authority of the proxy to the Investment Corporation <u>in advance</u> for each general unitholders' meeting. <p>Article 18 Election and Term of Office of Directors</p> <ol style="list-style-type: none"> (omitted) (omitted) (new) <p>Article 23 Minutes of Meeting of Board of Directors The Investment Corporation shall prepare minutes containing a summary of the proceedings and the outcome of each meeting of the Board of Directors and other matters prescribed by laws and regulations, and each Director present shall <u>affix his name and seal or</u> electronic signature on the minutes.</p>	<p>Article 5 Total Number of Investment Units Authorized to be Issued</p> <ol style="list-style-type: none"> (no change) The proportion of the aggregate amount representing the investment units issued by the Investment Corporation in Japan shall exceed 50% of the total amount representing the investment units <u>of</u> the Investment Corporation. (no change) <p>Article 12 Voting by Proxy</p> <ol style="list-style-type: none"> (no change) In the event of the preceding Paragraph, the relevant unitholder or proxy shall submit a document certifying the authority of the proxy to the Investment Corporation for each general unitholders' meeting. <p>Article 18 Election and Term of Office of Directors</p> <ol style="list-style-type: none"> (no change) (no change) <u>The period that a resolution on appointment of a substitute director remains in force shall be until the end of the term of office of the director appointed at the general unitholders' meeting at which the concerned resolution was passed (where the director was not appointed at such general unitholders' meeting, then the most recent general unitholders' meeting at which the director was appointed); provided, however, that such period shall not be precluded from being shortened by resolution of a general unitholders' meeting.</u> <p>Article 23 Minutes of Meeting of Board of Directors The Investment Corporation shall prepare minutes containing a summary of the proceedings and the outcome of each meeting of the Board of Directors and other matters prescribed by laws and regulations, and each Director present shall <u>sign or affix a name and seal, or provide an</u> electronic signature on the minutes.</p>

Current Articles of Incorporation	Proposed Changes
<p>Article 30 Limit of Borrowing and Issue of Investment Corporation Bonds, etc.</p> <p>1. The Investment Corporation may borrow funds or issue investment corporation bonds (including short-term investment corporation bonds; the same applies throughout) in order to ensure stable earnings and steady growth of the Managed Assets. The Investment Corporation may borrow funds only from qualified institutional investors as set out in Article 2, Paragraph 3, Item (1), of the <i>Financial Instruments and Exchange Act</i> (Law No. 25 of 1948; as amended, the “<i>Financial Instruments and Exchange Act</i>”) (but limited to <u>those who are set out in Article 22-19, Paragraph 1, of the Ordinance for Enforcement of the Special Taxation Measures Act</u> (Finance Ministry Order No. 15 of 1957; as amended, the “<i>Ordinance for Enforcement of the Special Taxation Measures Act</i>”).</p> <p>2. (omitted)</p> <p>3. (omitted)</p> <p>4. (omitted)</p>	<p>Article 30 Limit of Borrowing and Issue of Investment Corporation Bonds, etc.</p> <p>1. The Investment Corporation may borrow funds or issue investment corporation bonds (including short-term investment corporation bonds; the same applies throughout) in order to ensure stable earnings and steady growth of the Managed Assets. The Investment Corporation may borrow funds only from qualified institutional investors as set out in Article 2, Paragraph 3, Item (1), of the <i>Financial Instruments and Exchange Act</i> (Law No. 25 of 1948; as amended, the “<i>Financial Instruments and Exchange Act</i>”) (but limited to <u>institutional investors set out in Article 67-15 of the Act on Special Measures Concerning Taxation</u> (Act No. 26 of 1957; as amended) (the “<i>Special Taxation Measures Act</i>”).</p> <p>2. (no change)</p> <p>3. (no change)</p> <p>4. (no change)</p>

Current Articles of Incorporation	Proposed Changes
<p>Article 32 Policy on Cash Distribution In principle, the Investment Corporation shall make distributions in accordance with the following policy.</p> <p>(1) Distribution of profits</p> <p>(i) (omitted)</p> <p>(ii) In principle, the amount of distribution is the amount determined by the Investment Corporation that exceeds 90% of the amount of profit available for dividend of the Investment Corporation as set out in Article 67-15, Paragraph 1, of the <i>Special Taxation Measures Act (Law No.26 of 1957; as amended)</i> (the “Amount of Profit Available for Dividend”).</p> <p>The Investment Corporation may accumulate a long-term repair reserve, payment reserve, dividend reserve, and any other similar reserve and allowance considered necessary for the maintenance or improvement of Managed Assets out of the Distributable Amount.</p> <p>XI INITIAL ASSET MANAGEMENT COMPANY, CUSTODIAN, AND ADMINISTRATION AGENT</p> <p>Article 35 Names and Addresses of Initial Asset Management Company, Custodian, and Administration Agent; Outline of Contracts to be Executed among Those Companies</p> <p><u>The names and addresses of the entities to be the initial Asset Management Company, custodian, and administration agent of the Investment Corporation and an outline of the contracts to be entered into with them is set out in Attachment 4, which forms a part of this Articles of Incorporation.</u></p>	<p>Article 32 Policy on Cash Distribution In principle, the Investment Corporation shall make distributions in accordance with the following policy.</p> <p>(1) Distribution of profits</p> <p>(i) (no change)</p> <p>(ii) In principle, the amount of distribution is the amount determined by the Investment Corporation that exceeds 90% of the amount of profit available for dividend of the Investment Corporation as set out in Article 67-15, Paragraph 1, of the <i>Special Taxation Measures Act</i> (the “Amount of Profit Available for Dividend”).</p> <p>The Investment Corporation may accumulate a long-term repair reserve, payment reserve, dividend reserve, and any other similar reserve and allowance considered necessary for the maintenance or improvement of Managed Assets out of the Distributable Amount.</p> <p>(deleted)</p> <p>(deleted)</p>

Current Articles of Incorporation	Proposed Changes
<p>XII SUPPLEMENTARY PROVISIONS</p> <p>Article 36 Consumption Tax and Local Consumption Tax (omitted)</p> <p>Attachment 1 Targets and Policies of Asset Management Basic Policy of Asset Management (omitted)</p> <p>Targets of Asset Management The primary investment targets of the Investment Corporation are the following types of real estate, etc., and real-estate-backed securities:</p> <p>1. Real estate, etc. (which means the following assets; the same applies throughout)</p> <p>(1)~(7) (omitted)</p> <p>2. (omitted)</p> <p>3. (omitted)</p> <p>4. In investing in real estate, etc., the Investment Corporation may invest in the following assets if necessary.</p> <p>(1)~(2) (omitted) (new)</p> <p>(new)</p> <p>(new)</p> <p>(new)</p> <p>(new)</p>	<p>XI SUPPLEMENTARY PROVISIONS</p> <p>Article 35 Consumption Tax and Local Consumption Tax (no change)</p> <p>Attachment 1 Targets and Policies of Asset Management Basic Policy of Asset Management (no change)</p> <p>Targets of Asset Management The primary investment targets of the Investment Corporation are the following types of real estate, etc., and real-estate-backed securities:</p> <p>1. Real estate, etc. (which means the following assets; the same applies throughout)</p> <p>(1)~(7) (no change)</p> <p>2. (no change)</p> <p>3. (no change)</p> <p>4. In investing in real estate, etc., the Investment Corporation may invest in the following assets if necessary.</p> <p>(1)~(2) (no change)</p> <p>(3) <u>copyrights, etc. under the Copyright Act (Act No. 48 of 1970; as amended)</u></p> <p>(4) <u>specified equities as provided in Article 2, Paragraph 6, of the Act on Securitization of Assets</u></p> <p>(5) <u>servitudes</u></p> <p>(6) <u>movables as provided under the Civil Code (Act No. 89 of 1896; as amended) (limited to those added to facilities, fixtures and other real estate in terms of structure or use)</u></p> <p>(7) <u>other rights of which acquisition is necessary or useful in association with investment in real estate, etc. or real-estate-backed securities)</u></p>

Current Articles of Incorporation	Proposed Changes
<p style="text-align: center;">(new)</p> <p>Investment Stance</p> <p>(1)~(4) (omitted)</p> <p>(5) The Investment Corporation aims for the total amount of specified real estate (which means specified assets that the Investment Corporation acquires that are real estate, leasehold rights in real estate, or surface rights or beneficiary interests in trusts under which real estate, leasehold rights in land, or surface rights have been placed in trust) to constitute 75% or more of the total amount of specified assets held by the Investment Corporation.</p> <p style="text-align: center;">(new)</p>	<p><u>5. Rights to be indicated on securities as set out in Article 2, Paragraph 2, of the <i>Financial Instruments and Exchange Act</i> shall, when securities indicating these rights have not been issued, be deemed as securities indicating these rights, and the rights listed in 1. through 4. above shall apply.</u></p> <p>Investment Stance</p> <p>(1)~(4) (no change)</p> <p>(5) The Investment Corporation aims for the total amount of specified real estate (which means specified assets that the Investment Corporation acquires that are real estate, leasehold rights in real estate, or surface rights; or beneficiary interests in trusts under which <u>ownership of</u> real estate, leasehold rights in land, or surface rights have been placed in trust) to constitute 75% or more of the total amount of specified assets held by the Investment Corporation.</p> <p><u>(6) The Investment Corporation aims for the amount of real estate, etc. (which, in this paragraph, means real estate (which means assets listed in Article 37, Paragraph 3, Item 2 (a), (b) and (e), of the Regulations Concerning Accounting of Investment Corporations (Cabinet Office Ordinance No. 47 of 2006; as amended); the same applies throughout this paragraph), leasehold rights in real estate, assets listed in (f) of said Item, surface rights, and servitudes; and beneficiary interests in trusts under which such assets have been placed in trust) to constitute 70% or more of the amount of specified assets held by the Investment Corporation.</u></p>

Current Articles of Incorporation	Proposed Changes
<p>Purpose and Scope of Loaning of Assets Acquired (omitted)</p> <p>Attachment 2 Methods, Criteria, and Reference Dates for Valuating Assets</p> <p>1. The Investment Corporation's methods and criteria for valuating assets are as follows depending on the type of assets targeted for investment:</p> <p>(1)~(5) (omitted)</p> <p>(6) Securities If the securities are traded, the Investment Corporation will value these assets based on the market price. If they are not traded, the Investment Corporation will value them based on a reasonably calculated value.</p> <p>(7)~(10) (omitted)</p> <p>2. If the Investment Corporation is to make a valuation by a method different from any method set out in section 1 above for the purpose of indicating a value into an asset management report or the like, it shall make the valuation as follows:</p> <p>(1) (omitted)</p>	<p>Purpose and Scope of Loaning of Assets Acquired (no change)</p> <p>Attachment 2 Methods, Criteria, and Reference Dates for Valuating Assets</p> <p>1. The Investment Corporation's methods and criteria for valuating assets are as follows depending on the type of assets targeted for investment:</p> <p>(1)~(5) (no change)</p> <p>(6) Securities If the securities are traded, the Investment Corporation will value these assets based on the market price. If they are not traded, the Investment Corporation will value them based on a reasonably calculated value; <u>provided, however, that if there is no value calculated by a reasonable method, the Investment Corporation shall be able to value them based on the acquisition value.</u></p> <p>(7)~(10) (no change)</p> <p>2. If the Investment Corporation is to make a valuation by a method different from any method set out in section 1 above for the purpose of indicating a value into an asset management report or the like, it shall make the valuation as follows:</p> <p>(1) (no change)</p>

Current Articles of Incorporation	Proposed Changes
<p>(2) Beneficiary interests in trust under which real estate, leasehold rights in real estate, and surface rights have been placed in trust; and equity interests in silent partnership which invests in real estate</p> <p>The Investment Corporation will value these assets based on <u>the value determined by first:</u></p> <ul style="list-style-type: none"> • <u>if the assets constituting the trust or the silent partnership are the assets described in paragraph 1 above—valuating them based on the same paragraph; or</u> • <u>if the assets constituting the trust or the silent partnership are financial assets—valuating them in accordance with generally accepted accounting standards, and then, subtracting from those total amounts the amount of liabilities of the trust or the silent partnership, and calculating the proportionate amount of beneficiary interests in the trust or equity interests in the silent partnership.</u> <p>3. (omitted)</p>	<p>(2) Beneficiary interests in trust under which real estate, leasehold rights in real estate, and surface rights have been placed in trust; and equity interests in silent partnership which invests in real estate</p> <p><u>If the assets constituting the trust are the assets described in paragraph 1 above, the Investment Corporation will value these assets based on the same paragraph.</u></p> <p><u>If the assets constituting the equity interests in silent partnership are the assets described in paragraph 1 above, the Investment Corporation will value these assets on such bases as the amount valuated as appropriate under the <i>Valuation Rules</i> of the Investment Trusts Association, Japan.</u></p> <p><u>If the assets constituting the trust or the silent partnership are financial assets, the Investment Corporation will value these assets:</u></p> <ul style="list-style-type: none"> • <u>first in accordance with generally accepted accounting standards, and</u> • <u>then subtracting from those total amounts the amount of liabilities of the trust or the silent partnership, and calculating the proportionate amount of beneficiary interests in the trust or equity interests in the silent partnership.</u> <p>3. (no change)</p>

Current Articles of Incorporation	Proposed Changes
<p>Attachment 3 Fees for Asset Management Company (omitted)</p> <p>Base Fee The Investment Corporation will, within 2 months after the end of accounting term, pay an amount up to a maximum of the amount (calculated pro rata based on the actual number of days in the relevant accounting term, taking one year as being 365 days; the same applies to calculations of the base fee below) calculated by multiplying by 0.40% p.a. to the total asset value set out in the Investment Corporation's balance sheet (limited to one that has been approved under Article 131, Paragraph 2 of the <i>Investment Trusts Act</i>; "Balance Sheet") dated as of the closing of the latest accounting term. <u>However, for the Investment Corporation's first accounting term, the base fee for the term starting on the date of incorporation of the Investment Corporation and ending on July 31, 2010, is to be paid by September 30, 2010, in an amount not exceeding the amount calculated by multiplying 0.40% p.a. to the total asset value set out in the Investment Corporation's trial balance sheet (of totals and balances) as of the incorporation of the Investment Corporation, and the base fee for the term starting on August 1, 2010, and ending on the end of the Investment Corporation's first accounting term is to be paid within 2 months of that ending date in an amount not exceeding the amount calculated by multiplying by 0.40% p.a. to the total asset value set out in the Investment Corporation's trial balance sheet (of totals and balances) as of July 31, 2010.</u></p> <p>Acquisition Fee (omitted)</p> <p>Disposal Fee (omitted)</p> <p>Incentive Fee (omitted)</p>	<p>Attachment 3 Fees for Asset Management Company (no change)</p> <p>Base Fee The Investment Corporation will, within 2 months after the end of accounting term, pay an amount up to a maximum of the amount (calculated pro rata based on the actual number of days in the relevant accounting term, taking one year as being 365 days; the same applies to calculations of the base fee below) calculated by multiplying by 0.40% p.a. to the total asset value set out in the Investment Corporation's balance sheet (limited to one that has been approved under Article 131, Paragraph 2 of the <i>Investment Trusts Act</i>; "Balance Sheet") dated as of the closing of the latest accounting term.</p> <p>Acquisition Fee (no change)</p> <p>Disposal Fee (no change)</p> <p>Incentive Fee (no change)</p>

Current Articles of Incorporation	Proposed Changes
<u>Attachment 4</u>	(deleted)
<u>Names and Addresses of Initial Asset Management Company, Custodian, and Administration Agent; Outlines of Agreements to be Executed</u>	(deleted)
<u>1. Name and Address of Initial Asset Management Company (the “Asset Management Company”); Outlines of Agreements to be Executed</u>	(deleted)
<u>2. Name and Address of Initial Custodian (the “Custodian”); Outline of Agreement to be Executed</u>	(deleted)
<u>3. Name and Address of Initial Administration Agent to Perform Services Relating to Management of Organs, Services Relating to Accounting, and Other Such Services (the “Administration Agent”); Outline of Agreement to be Executed</u>	(deleted)
<u>4. Name and Address of Initial Administration Agent to Prepare and Keep Register of Unitholders and to Perform Other Services Relating to the Register of Unitholders and Issuance of Units (Excluding Account Management Services for Special Accounts Associated with Book-entry Units) (the “Registration Agent (for Units)”); Outline of Agreement to be Executed</u>	(deleted)
<u>5. Name and Address of Initial Administration Agent to Prepare and Keep Register of Unitholders and to Perform Other Services Relating to Register of Unitholders and Issuance of Units (Limited to Account Management Services for Special Accounts for Book-entry Units) (the “Registration Agent (for Special Account)”); Outline of Agreement to be Executed</u>	(deleted)
<u>6. Name and Address of Administration Agents to Prepare and Keep Bond Registers and Perform Other Such Services Relating to Bond Registers; Outline of Agreements to be Executed</u>	(deleted)

Proposal No. 2 Appointment of 1 Executive Director

Executive Director Kenji Kousaka has submitted a request expressing the intention to once resign from the position of executive director of ADR at the closing of the General Unitholders' Meeting. We thus ask that an executive director be newly appointed. Pursuant to the provisions of ADR's Articles of Incorporation, the term of office shall be two years from the date of appointment on October 28, 2011.

This proposal is a proposal that was submitted with the unanimous consent of the supervisory directors at the board of directors' meeting held on September 14, 2011.

The candidate for executive director is as follows.

Name (Date of Birth)	Brief Personal History
Kenji Kousaka (July 5, 1965)	April 1988 Joined ITOCHU Corporation
	Assigned to Osaka Construction & Realty Department No. 2
	April 1994 Assigned to Osaka Construction & Realty Department
	April 1999 Assigned to Real Estate Business Development Department
	July 2001 Appointed Deputy Manager of Osaka Construction Section No. 4, Osaka Construction & Realty Department
	October 2002 Appointed Deputy Manager of Construction Section No. 3, Construction & Realty Department
	April 2004 Appointed Manager of Construction Section No. 2, Construction & Realty Department and General Manager of Investment Advisory Office, Construction and Real Estate
	June 2005 Seconded to AD Investment Management Co., Ltd.
	Appointed Managing Director and General Manager of Acquisition Department
	February 2008 Appointed President and General Manager of Acquisition Department
	March 2008 Appointed Executive Director of Advance Residence Investment Corporation
	April 2008 Appointed President and Representative Director of AD Investment Management Co., Ltd.
	March 2010 Appointed Executive Director of ADR (currently serving)
	March 2010 Joined AD Investment Management Co., Ltd.
	Appointed President and Representative Director & Manager of Internal Auditing Office
	April 2011 Appointed President and Representative Director, Manager of Internal Auditing Office & CFO (currently serving)

- The candidate for executive director does not hold any investment units of ADR.
- The candidate for executive director concurrently serves as president of AD Investment Management Co., Ltd. with which ADR has entered into an asset management agreement (the "Asset Management Company").

The Commissioner of the Financial Services Agency was notified of the concurrent holding of positions on March 5, 2008 pursuant to the provisions of Article 31-4, Paragraph 4, of the Financial Instruments and Exchange Act (Act No. 25 of 1948; as amended) (the "Financial Instruments and Exchange Act") prior to revision by the provisions of Article 1 of the Act for Partial Revision of the Financial Instruments and Exchange Act (Act No. 65 of 2008) (Article 31-4, Paragraph 1, of the Financial Instruments and Exchange Act as of the date of this document).

- Other than the above, there is no particular vested interest between the candidate for executive director and ADR.

Proposal No. 3 Appointment of 1 Substitute Executive Director

In case a vacancy arises in the office of executive director or the number of executive directors falls below the quorum provided for under laws and regulations, we ask that one substitute executive director be appointed.

This proposal is a proposal that was submitted with the unanimous consent of the supervisory directors at the board of directors' meeting held on September 14, 2011.

The candidate for substitute executive director is as follows.

Name (Date of Birth)	Brief Personal History	
Takeshi Takano (June 19, 1963)	January 1985	Joined Musashi-Fuchu Aoiro Incorporated Association
	November 1996	Joined Yamato Glass Co., Ltd. (currently, Yamato Material Co., Ltd.)
	May 2001	Joined Pacific Management Corporation (presently, Pacific Holdings, Inc. (company under reorganization))
	June 2004	Appointed Director of Pacific Investment Advisors Corporation
	February 2008	Appointed President and Chairman of the Board
	March 2010	Appointed Executive Director and General Manager of Investment & Asset Management Department of AD Investment Management Co., Ltd. (currently serving)

- The candidate for substitute executive director does not hold any investment units of ADR.
- The candidate for substitute executive director is an executive director of the Asset Management Company.
- Other than the above, there is no particular vested interest between the candidate for substitute executive director and ADR.
- In the event of appointment as executive director of ADR, notification shall be made to that effect without delay pursuant to the provisions of Article 31-4, Paragraph 1, of the Financial Instruments and Exchange Act.

Proposal No. 4 Appointment of 2 Supervisory Directors

Supervisory Directors Shujiro Matsuda and Yoshiki Oshima have each submitted a request expressing the intention to once resign from the position of supervisory director of ADR at the closing of the General Unitholders' Meeting. We thus ask that two supervisory directors be newly appointed. Pursuant to the provisions of ADR's Articles of Incorporation, the term of office shall be two years from the date of appointment on October 28, 2011.

The candidates for supervisory director are as follows.

Candidate No.	Name (Date of Birth)	Brief Personal History
1	Shujiro Matsuda (April 17, 1938)	June 1964 Joined Eisuke Ito Certified Accounting Offices December 1964 Joined PWC Accounting Offices April 1969 Opened Shujiro Matsuda CPA Office as President (currently serving) June 1969 Joined IBM Japan, Ltd. March 1971 Joined Tohmatsu Awoki & Co. (presently, Deloitte Touche Tohmatsu) May 1981 Joined Dow Chemical Japan Ltd. as Budget Management General Manager July 1981 Joined Triumph International (Japan) Ltd. as Director and CFO November 1984 Joined <i>Nihon AMP Kabushiki Kaisha</i> as CFO December 1992 Joined Molex Japan Co., Ltd. as Financial Director in charge of North Asia and CFO October 1999 Joined TYO as Auditor (currently serving) June 2001 Appointed Auditor of Kao Corporation March 2005 Appointed Part-Time Director of DREAMUSIC Inc. September 2005 Appointed Supervisory Director of Advance Residence Investment Corporation June 2006 Appointed Part-Time Auditor of Akebono Brake Industry Co., Ltd. March 2010 Appointed Supervisory Director of ADR (currently serving)
2	Yoshiki Oshima (February 28, 1946)	October 1967 Passed bar exam April 1970 Registered as a practicing lawyer April 1978 Opened Akasaka Law Office L.P.C. as President (currently serving) September 2005 Appointed Supervisory Director of Advance Residence Investment Corporation March 2010 Appointed Supervisory Director of ADR (currently serving)

- Neither candidate for supervisory director holds any investment units of ADR.
- There is no particular vested interest between neither candidate for supervisory director and ADR.

Proposal No. 5 Appointment of 2 Substitute Supervisory Directors

In case a vacancy arises in the office of supervisory director or the number of supervisory directors falls below the quorum provided for under laws and regulations, we ask that two substitute supervisory directors be appointed.

The candidates for substitute supervisory director are as follows.

Candidate No.	Name (Date of Birth)	Brief Personal History
1	Kesao Endo (November 28, 1951)	September 1979 Joined Coopers & Lybrand, Certified Public Accountants March 1984 Joined PriceWaterhouse Consulting March 1986 Joined Deloitte & Touche, Certified Public Accountants Assigned to Los Angeles Office December 1989 Assigned to New York Office January 2000 Appointed Partner of Kasumigaseki Audit Corporation (currently serving) May 2006 Appointed Outside Corporate Auditor of Akebono Brake Industry Co., Ltd. (currently serving)
2	Satoru Kobayashi (December 14, 1956)	November 1982 Passed bar exam April 1985 Registered as a practicing lawyer October 2005 Opened Satoru Kobayashi Law Office as President (currently serving)

- Neither candidate for substitute supervisory director holds any investment units of ADR.
- There is no particular vested interest between neither candidate for substitute supervisory director and ADR.

Matter for Reference

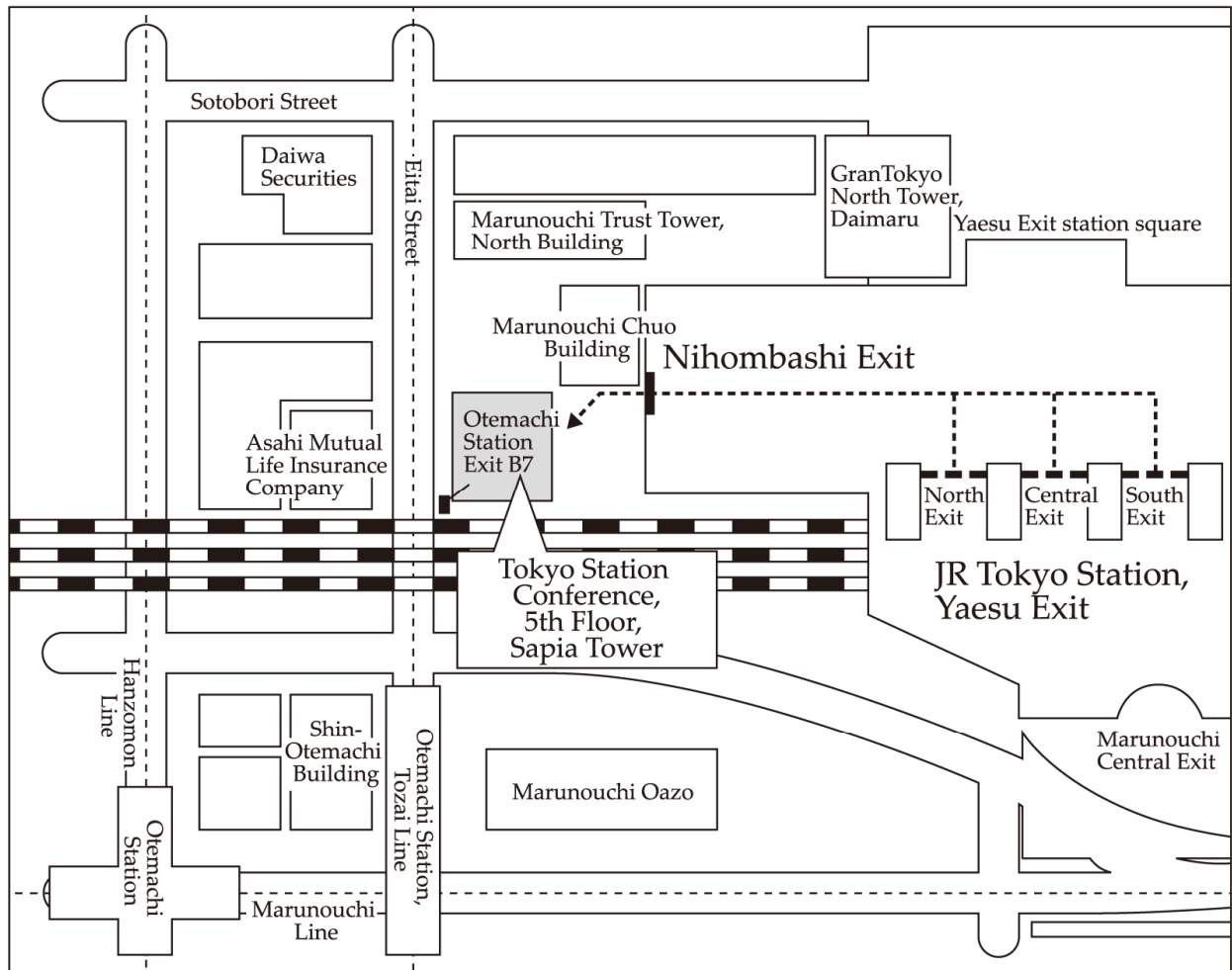
If among the proposals submitted at the General Unitholders' Meeting there is a proposal the import of which conflicts with that of another proposal, the provisions governing "deemed approval" provided for in Article 93, Paragraph 1, of the *Investment Trusts Act* and Article 14 of ADR's Articles of Incorporation will not apply to either proposal.

None of the proposals set out above as Proposal No. 1, Proposal No. 2, Proposal No. 3, Proposal No. 4, and Proposal No. 5 correspond to such a proposal of conflicting import.

Map to Location of General Unitholders' Meeting

Time and Date October 28, 2011 (Friday) 10:00 AM

Location Tokyo Station Conference
503, 5th Floor, Sapia Tower
1-7-12 Marunouchi, Chiyoda-ku, Tokyo



Transportation

JR Line Two minute walk from JR Tokyo Station North Exit (Ticket Gate)
One minute walk from JR Tokyo Station Nihombashi Exit

Subway Tokyo Metro Otemachi Station B7 Exit