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For Immediate Release

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Notice Concerning Signing of Interest Rate Swap Agreement

Advance Residence Investment Corporation announced today its decision to enter into interest rate swap agreement as detailed below.

1. Purpose for entering into the interest rate swap agreements

To hedge the risk of interest rate fluctuations of 1,000 million yen loan ^(Note) to be made on May 29, 2015.

^(Note) Please refer to the "Notice Concerning Debt Financing and Repayment of Loan" dated May 22, 2015 for details.

2. Details of the interest rate swap agreement

Long-term loan (1,000 million yen, 7 year)

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|-----------------------------|---|------------------------|-------------------|
| (1) Counterparty: | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | | |
| (2) Notional principal: | 1,000 million yen | | |
| (3) Interest rate: | Pay: | Fixed rate interest | 0.36800% |
| | Receive: | Floating-rate interest | 1 month yen TIBOR |
| (4) Contract period: | From May 29, 2015 to May 27, 2022 | | |
| (5) Interest payment dates: | Interest payment dates are last business day of every month during the contract period, starting June 2015 and ending on the contract period end of May 27, 2022. | | |

The interest rate for the loan above (principal amount of 1,000 million yen, 7 year) is to be basically fixed at 0.62800% by entering the interest rate swap agreement.

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

[Provisional Translation Only]

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