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For Immediate Release

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**Notice Concerning the Number of New Investment Units
to be Issued by Way of Third-Party Allotment**

Advance Residence Investment Corporation (ADR) announced today that it has received a notice concerning the greenshoe option in relation to the issuance of new investment units by way of third-party allotment. The resolution on the issuance of units by way of third-party allotment was passed at meetings of its board of directors held on September 6, 2016 and September 14, 2016, same time as the resolution on the issuance of new investment units through public offering (primary offering) and secondary distribution of investment units (secondary distribution via over-allotment). The greenshoe option is an option granted by ADR to the allottee for the purpose of acquiring the ADR investment units that the allottee requires to return to the ADR unitholder to whom the allottee has borrowed. The notice received today from the allottee states that the allottee will fully exercise the greenshoe option for all of the number of investment units to be offered.

(1) Number of new investment units to be issued	2,500 units
(Number of investment units to be offered	2,500 units)
(2) Allottee and number of units to be allotted	Mizuho Securities Co., Ltd. 2,500 units
(3) Paid-in amount (issue amount per unit)	255,068 yen per unit
(4) Total paid-in amount (issue amount)	637,670,000 yen
(5) Application period	October 18, 2016 (Tuesday)
(6) Payment deadline	October 19, 2016 (Wednesday)

Disclaimer: This document is a press release to make a public announcement on the issuance of new investment units by way of third-party allotment of Advance Residence Investment Corporation, and has not been prepared as an inducement or invitation for investment or any similar act.

<Reference>

1. About the Issuance of New Investment Units by Way of Third-Party Allotment

The above issuance of new investment units by way of third-party allotment is a matter on which resolution was passed at meetings of ADR's board of directors held on September 6, 2016 and September 14, 2016, same time as the resolution on the issuance of new investment units through public offering (primary offering) and secondary distribution of investment units (secondary distribution via over-allotment).

For details on the third-party allotment and other related information, please refer to the "Notice Concerning Issuance of New Investment Units through Public Offering and Secondary Distribution of Investment Units" dated September 6, 2016 and "Notice Concerning Decisions on Pricing of New Issuance and Secondary Distribution of Investment Units" dated September 14, 2016.

2. Changes in Number of Investment Units Issued and Outstanding Due to the Above Third-Party Allotment

Total number of investment units issued and outstanding at present	1,347,500 units
Increase in number of investment units due to the above third-party allotment	2,500 units
Total number of investment units issued and outstanding after third-party allotment	1,350,000 units

3. Use of Funds Procured from Above Third-Party Allotment

The proceeds fund from the above third-party allotment (637,670,000 yen) will be used to partly fund the acquisition of the specified asset that ADR is scheduled to acquire. (Please refer to the press release announced on August 25, 2016 "Notice Concerning Acquisition of Investment Asset (RESIDIA Senri-Banpakukoen)")

- * 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, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.
- * URL: <http://www.adr-reit.com/en/>

[Provisional Translation Only]

English translation of the original Japanese document is provided solely for information purposes.

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

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