



NEWS RELEASE

No.2007-C-1093
Nov 14, 2007

R&I Assigns A: Advance Residence Investment Corp. SB Nos. 1&2

Rating and Investment Information, Inc. (R&I) has announced the following.

ISSUER: Advance Residence Investment Corp. (Sec. Code: 8978)
Long-term Issue Rating
New Issue (issued under the Shelf Registration scheme)

R&I RATING: A

RATIONALE:

Advance Residence Investment Corp. (ADR) is a real estate investment trust (J-REIT) that became listed in November 2005. Its investment target is residential property and sponsors are Itochu Corp., Itochu Property Development Ltd., and Nippon Tochi-Tatemono Ltd.

ADR's portfolio mostly consists of relatively new rental housings in central Tokyo in a highly convenient location. Supported by the sponsors with in-depth expertise in residential development and property management, ADR excels in acquiring and managing properties. On the financial side, ADR will maintain an appropriate debt level, and all the debts are unsecured and long-term based. Therefore, R&I considers that ADR secures financial mobility and flexibility.

R&I RATINGS:

ISSUER: Advance Residence Investment Corp. (Sec. Code: 8978)
Long-term Issue Rating
New Issue (issued under the Shelf Registration scheme)

| LONG-TERM ISSUE RATING: | Issue Date | Redemption | Issue Amount (mn) |
|-------------------------|--------------|--------------|-------------------|
| Unsec. Str. Bonds No. 1 | Nov 21, 2007 | Nov 21, 2011 | Yen 5,000 |
| Unsec. Str. Bonds No. 2 | Nov 21, 2007 | Nov 21, 2012 | Yen 5,000 |
| R&I RATING: | A | | |

Notes/Financial covenants:

1) negative pledge clause, which covers other unsecured domestic bonds the firm issued or may issue in the future, except those with a change of security status clause

ISSUER RATING: A
RATING OUTLOOK: Stable

Issuer Rating is R&I's opinion regarding an issuer's overall capacity to repay its entire financial obligation, and it will be assigned to all issuers. The rating of individual obligations (i.e. bonds and loans etc.) includes the prospect of recovery and reflects the terms and conditions of the agreement and it may be lower or higher than the Issuer Rating.

Rating and Investment Information, Inc. Nihonbashi 1-chome Bldg., 1-4-1, Nihonbashi, Chuo-ku, Tokyo 103-0027, Japan
Structured Finance Rating Division TEL. 03-3276-3406-3428 FAX. 03-3276-3429 EMAIL sfdept@r-i.co.jp Homepage <http://www.r-i.co.jp>

Ratings are statements of R&I's opinion shown in certain symbols regarding an Issuer's general capacity (credit quality) to repay its financial obligation and individual debts (bonds and loans, etc.) and it is not a statement of recommendations to buy, hold, or sell any securities. Information has been obtained by R&I from sources believed to be reliable, however, its accuracy, adequacy, or completeness is not guaranteed. Therefore, R&I is not responsible for any errors or omissions or the result obtained from the use of the rating. As a general rule, R&I provides the rating services for a rating fee paid by the Issuer.

©Rating and Investment Information, Inc.