



November 19, 2007

For Immediate Release

Advance Residence Investment Corporation
Securities Code : 8978
3-12 Kioicho, Chiyoda-ku, Tokyo
Kenzo Sato, Executive Officer

Investment Trust Management Company:
AD Investment Management Co., Ltd.
Kenzo Sato, President

Inquiries:
Toshiyuki Imamura, General Manager
TEL. +81-3-5216-1871

Notice Concerning on Signing of Interest Rate Swap Agreement

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

1. Reason for entering into the Interest Rate Swap Agreement

To hedge the risk of interest rate fluctuations of the Advance Residence Investment Corporation First Series Unsecured Investment Corporation Bonds (ranking pari passu with specified investment corporation bonds; total borrowing amount; 5 billion yen,) issued on November 14th, 2007, under variable interest rate terms.

2. Details of Interest Rate Swap Agreement

- (1) Counterparty : The Sumitomo Trust & Banking Co., Ltd.
- (2) National principal : 5 billion yen
- (3) Interest rate : Fixed interest payable: 1.197%
Variable interest receivable: 6-month Euroyen LIBOR
- (4) Effective date: November 21st, 2007
- (5) Termination date : November 21st, 2011
- (6) Interest payment dates: For both the fixed interest payable and the variable interest receivable, the first payment shall be made on May 5th, 2008, the ensuing payments on the 21st day of every May and November thereafter, and the final payment on the agreement end date.
- (7) Other : The interest rate for the Advance Residence Investment Corporation First Series Unsecured Investment Corporation Bonds is to be substantially fixed at 1.797% by entering the interest rate swap agreement.

3. Other

Please refer to the “Notice Concerning Issuance of Investment Corporation Bonds” dated November 14th, 2007 for details, etc. on the concerned Investment Corporation Bonds.

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

[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.