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For Immediate Release

Advance Residence Investment Corporation
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Present Financial and Operating Performances

We have received numerous inquiries from unitholders regarding Advance Residence Investment Corporation (ADR)'s management performance, due to concerns over the recent credit crunch and other financial market turmoil, which have forced a J-REIT to file for bankruptcy protection.

We take this occasion to inform of ADR's present state as follows.

ADR pursues a policy of "securing stable earnings over the medium and long term." To achieve this goal, ADR manages the assets of unitholders by taking such measures as building a strong financial base and maintaining high occupancy.

1. State of Debt Financing

Outstanding amount of debt (including investment corporation bonds) as of date of this document is 52.0 billion yen.

The debts are all financed 1) with no collaterals or guarantees; 2) with long-term maturities; and 3) fixed interest rates.

Debt repayment with the most recent maturity is due on November 25, 2009 of amount of 7.0 billion yen.

<Overview of Financial Measures Implemented to Date>

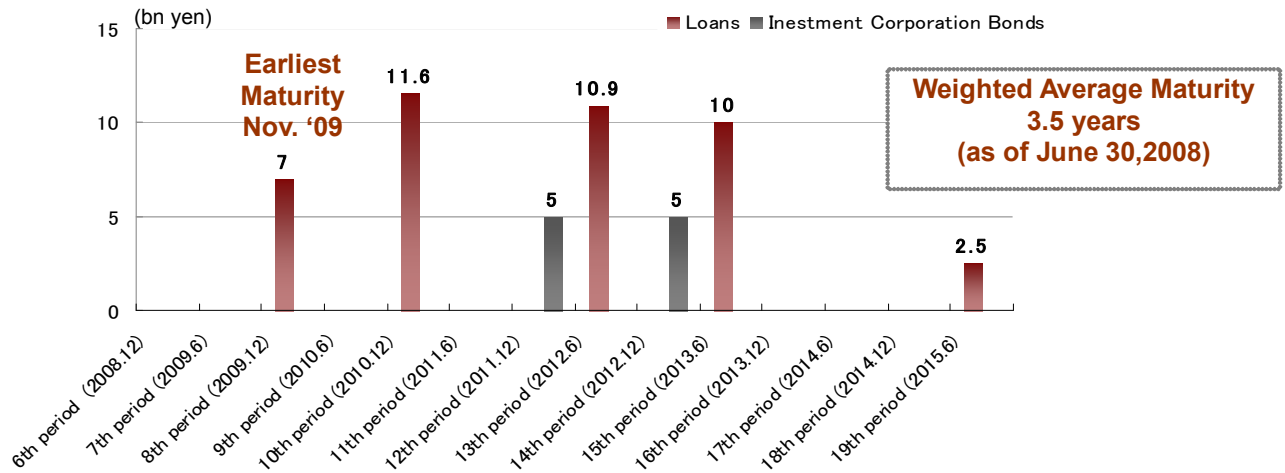
In advance of the worsening credit crunch stemming from the US subprime loan crisis, ADR conducted a total of 23.4 billion yen in refinancing during the fifth fiscal period (from January 1, 2008 to June 30, 2008), in order to secure stable future earnings.

The refinancing extended maturities and fixed interest rates. We also increased the number of syndicate banks providing financing to ADR. In doing so, ADR was able to reduce refinancing risks and strengthened its financial base.

Moreover, the Rating and Investment Information, Inc. (R&I) upgraded ADR's issuer credit rating from A to A+ (stable outlook) in April 2008.

Please refer also to the analyst meeting presentation¹ for the fifth fiscal period (fiscal period ended June 2008) for details.

Staggered Maturities of Interest-bearing Debt



2. Property Acquisition

ADR has no commitments nor agreements to purchase new property assets as of date of this document.

3. Occupancy Rates

ADR has maintained high occupancy rates since its listing.

In the present sixth fiscal period (fiscal period ending December 2008), the occupancy rate continues to be firm.

Past Period-End Occupancy Rates (period-end leased floor area of all portfolio properties ÷ leasable floor area of all portfolio properties)

	First Fiscal Period At end of June 2006	Second Fiscal Period At end of Dec. 2006	Third Fiscal Period At end of June 2007	Fourth Fiscal Period At end of Dec. 2007	Fifth Fiscal Period At end of June 2008
Occupancy Rate	96.5%	97.7%	96.5%	95.3%	96.9%

Past Month-End Occupancy Rates in 2008 (month-end leased floor area of all portfolio properties ÷ leasable floor area of all portfolio properties)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
Occupancy Rate	94.7%	95.9%	96.6%	97.1%	97.0%	96.9%	96.9%	96.9%	96.9%

ADR will continue to strive to enhance the quality of assets under management in collaboration with the ITOCHU Group, and remain committed to maintaining high occupancy rates and improving earnings, in pursuit of long-term stable growth.

¹ 5th Fiscal Period Results (http://www.adr-reit.com/en/pdf/presen_20080630.pdf)