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For Immediate Release

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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 detailed below.

1. Reason for entering into the Interest Rate Swap Agreements

To hedge the risk of interest rate fluctuations of 1,700 million yen floating rate loans ^(Note1) (hereafter; the LOAN) to be made on March 10, 2011.

(Note1) Please refer to the "Notice Concerning Debt Financing and Repayment of Loans" dated February 24, 2011 for details on the LOAN.

2. Details of Interest Rate Swap Agreement

- (1) Counterparty: The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- (2) Notional principal: 1,700million yen
- (3) Interest rate: Pay: Fixed rate interest 0.685%
Receive: Floating-rate interest 3 month yen TIBOR
- (4) Contract Period: From March 10, 2011 to February 29, 2016.
- (5) Interest payment dates: End date of the months of January, April, July and October of every year during the contract period, starting from April 28, 2011.

The interest rate for the LOAN is to be basically fixed at 1.68500% by entering the interest rate swap agreement.

* 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>

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