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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 Agreement

To hedge the risk of interest rate fluctuations of 3,590 million yen floating rate loan ^(Note1) (hereafter; the LOAN) to be made on June 30, 2011.

(Note1) Please refer to the "Notice Concerning Debt Financing and Repayment of Loans" dated June 28, 2011 for details on the LOAN.

2. Details of Interest Rate Swap Agreement

1) Long-term loan (2,700million yen, 6-year term)

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|-----------------------------|---|------------------------|-------------------|
| (1) Counterparty: | The Sumitomo Trust & Banking Co., Ltd. | | |
| (2) Notional principal: | 2,700million yen | | |
| (3) Interest rate: | Pay: | Fixed rate interest | 0.63954% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract Period: | From June 30, 2011 to June 30, 2017. | | |
| (5) Interest payment dates: | End date of the months of January, April, July and October of every year during the contract period, starting from July 29, 2011. | | |

2) Long-term loan (890million yen, 7-year term)

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|-----------------------------|---|------------------------|-------------------|
| (1) Counterparty: | The Sumitomo Trust & Banking Co., Ltd. | | |
| (2) Notional principal: | 890million yen | | |
| (3) Interest rate: | Pay: | Fixed rate interest | 0.75570% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract Period: | From June 30, 2011 to June 29, 2018. | | |
| (5) Interest payment dates: | End date of the months of January, April, July and October of every year during the contract period, starting from July 29, 2011. | | |



The interest rate for the LOAN of 1) is to be basically fixed at 1.58954%, and 2) is to be basically fixed at 1.75570% 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>

[Provisional Translation Only]

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