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For Immediate Release

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Notice Concerning Signing of Interest Rate Swap Agreement

Advance Residence Investment Corporation (ADR) announced today 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 9,000 million yen loan^(Note1), to be made on January 25, 2013.

^(Note1)Please refer to the "Notice Concerning Debt Financing and Repayment of Loans." dated June 27, 2012 for details.

2. Details of interest rate swap agreement

Long-term loan (9,000 million yen, 6 year 6 month)

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|-----------------------------|--|------------------------|-------------------|
| (1) Counterparty: | The Bank of Tokyo-Mitsubishi UFJ, Ltd.. | | |
| (2) Notional principal: | 9,000 million yen | | |
| (3) Interest rate: | Pay: | Fixed rate interest | 0.58% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period: | From January 25, 2013 to July 25, 2019. | | |
| (5) Interest payment dates: | Interest payment dates are last business day of January, April, July and October of every year during the contract period, starting April 2013 and the end of the contract which is July 25, 2019. | | |

The interest rate for the LOAN (principal amount of 9,000 million yen) is to be basically fixed at 1.28% 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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