



September 26, 2012

For Immediate Release

Advance Residence Investment Corporation
Securities Code : 3269
3-26 Kanda-nishikicho, Chiyoda-ku, Tokyo
Kenji Kousaka, Executive Director

Asset Management Company:
AD Investment Management Co., Ltd.
Kenji Kousaka, President
Inquiries:
Tomoyuki Kimura, Director and General
Manager Corporate Management Department
TEL. +81-3-3518-0480

Notice Concerning Acquisition of Investment Assets (Silent Partnership Equity Interests)

Advance Residence Investment Corporation (hereafter; ADR) announced its decision today to acquire assets in Japan as detailed below.

1. Acquisition Summary

- | | |
|-----------------------------------|--|
| (1) Asset to be acquired: | Equity interest in silent partnership investing in real estates in trust beneficiary rights |
| (2) Name of to-be-acquired asset: | G. K. RISING silent partnership equity interest |
| (3) Real estate in trust: | Forecity Ojima Artis Court Minamiaoyama Pleiade Nakameguro N. S. ZEAL Higashizakura Human Heim Honcho Sun Vario Haranomachiekimae |
| (4) Amount of Investment: | Total 257 million yen (About 10% of silent partnership equity interest) |
| (5) Scheduled agreement date: | September 26, 2012 |
| (6) Scheduled acquisition date: | September 27, 2012 |
| (7) Acquisition financing method: | Funds on hand |

2. Reason for the Acquisition

The decision of this acquisition was made in order to construct a portfolio which realizes growth of asset size and ensures stable revenues through diversified investments throughout Japan in all types of residential properties, by investing in silent partnership equity interest, as pursuant to the asset management target and investment policy of the Articles of Incorporation of ADR.

What we hope to realize from this acquisition along with the signing of a basic agreement with SPARX Group Co., Ltd. (please refer to the press release dated today, titled “ Notice Concerning Signing of a Basic Agreement with SPARX Group Co., Ltd.”) is flexibility in acquiring high quality properties from various sources which we believe will be a huge benefit for ADR in its pursuit of future external growth.

Through this acquisition, ADR will receive from the operator of the silent partnership, dividends from profits coming from rental income from tenants of each real estate in trust. In addition, ADR will be granted rights of first refusal concerning beneficiary rights for each real estate in trust through this acquisition (for details, please refer to “3. Summary of the To-be-Acquired Assets - (1) Overview of silent partnership to be invested - Other”). The acquisition of equity interest in the silent partnership however does not place an obligation on ADR to acquire the beneficiary rights for real estates in trust.

The following points were assessed with regards to the real estates under trust on deciding to acquire the equity interest and the rights of first refusal.

| Property Name | Property Characteristics | The Points Evaluated in Deciding to Acquire the Rights of First Refusal |
|--------------------------|---|--|
| Forecity Ojima | This property is approximately four minutes walk from Oojima Station on the Toei Subway Shinjuku Line. From the Ojima station on the train, it is 19 minutes to Otemachi Station, and 27 minutes to Shinjuku Station, giving tenants good access to the main business district or to major commercial districts. This property is also located in walking distance from supermarkets, making it convenient for daily living. Due to its location along with the high-grade equipment specifications, tenant demands from single professionals who commute to central Tokyo are expected. | Determined that the assets will contribute to improving the portfolio's earnings potential through the relatively high NOI cap rate and the relatively young building age. |
| Artis Court Minamiaoyama | This property is located in a quiet residential area even though it has good transportation access where it is approximately two minutes walk from Nogizaka Station on the Tokyo Metro Subway Chiyoda Line, eight minutes walk from Roppongi Station and 10 minutes walk to Aoyama 1-chome Station. Due to its location along with the high-grade equipment specifications, tenant demands from upper-middle-class DINKs who wish to live close to work can be expected. | |
| Pleiade Nakameguro | This property is approximately nine minutes walk from Nakameguro Station on the Tokyu Toyoko Line and Tokyo Metro Hibiya Line, and it is 20 minutes to Tokyo Station, giving tenants good access to the main business district or to major commercial districts. This property is also located in walking distance from convenient stores and public facilities, making it convenient for daily living. Due to its location, tenant demands from single professionals who commute to central Tokyo are expected. | |
| N. S. ZEAL Higashizakura | This property is approximately two minutes walk from Shin-Sakae Station on the Nagoya City Subway Higashiyama Line with non-transfer route to Sakae Station and Nagoya Station, giving tenants good access to the main business district or to major commercial districts. This property is also located in walking distance from convenient store, making it convenient for daily living. Due to its location along with the high-grade equipment specifications and units having over 100m ² floor area, which is a rarity in condominiums in Nagoya, tenant demands from not only from high-income single professionals but from families who commute to central Nagoya are expected. | |
| Human Heim honcho | This property is approximately four minutes walk from Hirose-dori Station on the Sendai City Subway Nanboku Line. It is also nine minute walk from Sendai Station on the JR Tohoku Main Line, giving tenants good access to the main business district or to major commercial districts. This property is also located in walking distance from supermarkets and public facilities, making it convenient for daily living. Due to its location along with the high-grade equipment specifications, tenant demands from single professionals who commute to central Sendai are expected. | |

| | | |
|---|---|--|
| <p>Sun Vario Haranomachieki mae</p> | <p>This property is approximately four minutes walk from Rikuzen-haranomachi Station on the JR Sengoku Line which is five minute to Sendai Station, giving tenants good access to the main business district or to major commercial districts. This property is also located in walking distance from supermarkets and public facilities, making it convenient for daily living. Due to its location along with the high-grade equipment specifications, tenant demands from single professionals who commute to central Sendai are expected.</p> | |
|---|---|--|

3. Summary of the To-be-Acquired Assets

(1) Overview of the silent partnership

| Name of operator | G. K. RISING | | | | | | | |
|---|--|--|--|--|---|--|---|--|
| Silent partnership agreement valid until | December 31, 2014 | | | | | | | |
| Total amount of net asset | 2,568 million yen | | | | | | | |
| Overview of the silent partnership agreement | <p>The following is an overview of the investment in the silent partnership.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;">G. K. RISING</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Beneficial rights of real estates in trust and other assets</td> <td style="text-align: center;">Non-recourse loan 6,395 million yen</td> </tr> <tr> <td style="text-align: center;">8,963 million yen</td> <td style="text-align: center;">Net assets including silent partnership equity interest 2,568 million yen</td> </tr> </tbody> </table> <p>(Note 1) Formulation costs, reserve money, etc. are included in real estate beneficiary interest in trusts and other assets. The total appraised value of the underlining real estate is 9,337 million yen. (Note 2) ADR is scheduled to invest 257 million yen, about 10% of the net assets of G. K. RISING. (Note 3) Fund Creation R.M Co., Ltd. is scheduled to become the asset manager of G. K. RISING. (Note 4) Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. is the vendor for handling the private offerings of G.K. RISING equity.</p> <p>Calculation period: The calculation periods are every quarter. The quarters are January 1 to the end of March, April 1 to the end of June, July 1 to the end of September, and October 1 to the end of December. However, the first calculation period will be from the date of first execution of equity investment to the end of December, 2012.</p> <p>Distribution of profits and losses: All profits for each of the calculation periods will be distributed by the operator to the investors according to their equity interest on each calculation dates. All losses for each calculation periods will be distributed to investors according to their equity interest on the calculation date, where the maximum liability is the amount of loss on each of the periods. However, if the total amount of losses distributed to investors exceeds the total equity interest, the excess loss will be distributed to the operator.</p> | | G. K. RISING | | Beneficial rights of real estates in trust and other assets | Non-recourse loan 6,395 million yen | 8,963 million yen | Net assets including silent partnership equity interest 2,568 million yen |
| G. K. RISING | | | | | | | | |
| Beneficial rights of real estates in trust and other assets | Non-recourse loan 6,395 million yen | | | | | | | |
| 8,963 million yen | Net assets including silent partnership equity interest 2,568 million yen | | | | | | | |
| Other | <p>Concerning the rights of first refusal</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td style="text-align: center;">Details of the rights of first refusal</td> <td>The first refusal rights for 8,693 million yen real estates in trust or its beneficiary rights scheduled to be acquired by the operator on September 28, 2012 (see (2) below).</td> </tr> <tr> <td style="text-align: center;">Exercise period of negotiation rights</td> <td>To the end of May 2014</td> </tr> <tr> <td style="text-align: center;">The rights of first refusal price terms</td> <td>Acquisition at 8,693 million yen. Price breakdown : Forecity Odium : 1,282 million yen Artis Court Minamiaoyama : 1,720 million yen Pleiade Nakameguro : 1,119 million yen N.S.ZEAL Higashizakura : 2,862 million yen Human Heim honcho : 1,117 million yen Sun Vario Haranomachiekimae : 593 million yen</td> </tr> </tbody> </table> <p>Appraisal NOI yield 6.1% (Appraisal NOI yield = Annual NOI as entered on the appraisal obtained upon the acquisition of the real estate ÷ the rights of first refusal price terms × 100)</p> | | Details of the rights of first refusal | The first refusal rights for 8,693 million yen real estates in trust or its beneficiary rights scheduled to be acquired by the operator on September 28, 2012 (see (2) below). | Exercise period of negotiation rights | To the end of May 2014 | The rights of first refusal price terms | Acquisition at 8,693 million yen. Price breakdown : Forecity Odium : 1,282 million yen Artis Court Minamiaoyama : 1,720 million yen Pleiade Nakameguro : 1,119 million yen N.S.ZEAL Higashizakura : 2,862 million yen Human Heim honcho : 1,117 million yen Sun Vario Haranomachiekimae : 593 million yen |
| Details of the rights of first refusal | The first refusal rights for 8,693 million yen real estates in trust or its beneficiary rights scheduled to be acquired by the operator on September 28, 2012 (see (2) below). | | | | | | | |
| Exercise period of negotiation rights | To the end of May 2014 | | | | | | | |
| The rights of first refusal price terms | Acquisition at 8,693 million yen. Price breakdown : Forecity Odium : 1,282 million yen Artis Court Minamiaoyama : 1,720 million yen Pleiade Nakameguro : 1,119 million yen N.S.ZEAL Higashizakura : 2,862 million yen Human Heim honcho : 1,117 million yen Sun Vario Haranomachiekimae : 593 million yen | | | | | | | |

(2) Details of Properties

(i) Forecity Ojima

| Type of specified asset | | Beneficiary rights | Scheduled acquisition date | September 28, 2012 |
|---|---|---|--|---------------------------------|
| Property Outline | | | | |
| Location | Residence indication | 5-41-6 Ooshima, Koto-ku, Tokyo | | |
| Land | Type of ownership | Proprietary ownership | Use district | Quasi-industrial district |
| | Site area | 726.77m ² | FAR / Building coverage ratio | 300%/60% |
| Building | Type of ownership | Proprietary ownership | Confirmation inspection agency | K.K. Building Navigation |
| | Total floor area | 2,269.48m ² | Building designer | K.K. GCM Corporation |
| | Structure / Floors | RC with flat roof, 8F | Structural designer | K.K. GCM Corporation |
| | Use | Apartment | Construction contractor | Yorii Construction Co.,Ltd. |
| | Construction completion date | November 2007 | Trustee | Mizuho Trust & Banking Co., Ltd |
| Lease Conditions (as of August 31, 2012) | | | | |
| Total tenants | 1 | Leasable units | 87 | |
| Leased units | 74 | Leasable floor area | 1,821.78m ² | |
| Leased floor area | 1,555.44m ² | Monthly rent (incl. common service charges) | JPY 6,165 thousand | |
| Deposits, guarantees, etc. | JPY 8,781 thousand | Occupancy rate (based on floor area) | 85.38% | |
| Summary of Real Estate Appraisal Report | | | | |
| Real estate appraiser | Morii Appraisal & Investment Consulting Inc | Appraised date | June 7, 2012 | |
| Real estate appraised value | JPY 1,320 million | Cap rate | 5.3% | |
| Direct capitalization price | JPY 1,340 million | Discount rate | 5.0% | |
| DCF price | JPY 1,300 million | Terminal cap rate | 5.6% | |
| Income/Expenditures Assumed in Calculating Direct Capitalization Price | | | Summary of Earthquake PML Assessment Report | |
| Profit or loss from rental business | JPY 72,519 thousand | PML | 4.72% | |
| Special Notation | | | | |
| N/A | | | | |

(ii) Artis Court Minamiaoyama

| Type of specified asset | | Beneficiary rights | Scheduled acquisition date | September 28, 2012 |
|---|------------------------------|--|--------------------------------|--|
| Property Outline | | | | |
| Location | Residence indication | 1-24-15 Minamiaoyama , Minato-ku, Tokyo | | |
| Land | Type of ownership | Proprietary ownership (The ownership ratio is 80,057 out of 100,000, except for the private passageway (206-23, Roppongi and others) which is a joint ownership with a ownership ratio of 80,057 out of 140,000.) | Use district | Neighborhood commercial zone, Class 2 medium- and high-rise residential zone |
| | Site area | 659.35m ² (Total site area of ownership excluding the ownership area of the private passageway) | FAR / Building coverage ratio | 400%/80%, 300%/60% |
| Building | Type of ownership | Proprietary ownership (ownership ratio: 80,057 out of 100,000) | Confirmation inspection agency | JAPAN ERI CO.,LTD |
| | Total floor area | 1,549.88m ² (for the whole building) | Building designer | K.K. K2 |
| | Structure / Floors | RC with flat roof, 15F | Structural designer | Y.K. Fukunishi Architecture design office |
| | Use | Apartment | Construction contractor | TSUCHIYA Corporation |
| | Construction completion date | July 2008 | Trustee | Sumitomo Mitsui Trust Bank, Limited |
| Lease Conditions (as of August 31, 2012) | | | | |
| Total tenants | 1 | Leasable units | 23 | |
| Leased units | 23 | Leasable floor area | 1,717.68m ² | |
| Leased floor area | 1,717.68m ² | Monthly rent (incl. common service charges) | JPY 9,314 thousand | |
| Deposits, guarantees, etc. | JPY 18,377 thousand | Occupancy rate (based on floor area) | 100% | |
| Summary of Real Estate Appraisal Report | | | | |

| | | | |
|--|---|--|---------------|
| Real estate appraiser | Morii Appraisal & Investment Consulting Inc | Appraised date | July 15, 2012 |
| Real estate appraised value | JPY 1,760 million | Cap rate | 4.9% |
| Direct capitalization price | JPY 1,790 million | Discount rate | 4.6% |
| DCF price | JPY 1,730 million | Terminal cap rate | 5.2% |
| Income/Expenditures Assumed in Calculating Direct Capitalization Price | | Summary of Earthquake PML Assessment Report | |
| Profit or loss from rental business | JPY 88,927 thousand | PML | 5.39% |
| Special Notation | | | |
| A rent-free surface right is allotted to part of the real estate (of about 5.35m ²) where Tokyo Metro Co., Ltd. is laying a subway line. | | | |

(iii) Pleiade Nakameguro

| | | | | |
|---|------------------------------|--|---|-----------------------------------|
| Type of specified asset | | Beneficiary rights | Scheduled acquisition date | September 28, 2012 |
| Property Outline | | | | |
| Location | Residence indication | 2-9-11 Nakameguro, Meguro-ku, Tokyo | | |
| Land | Type of ownership | Proprietary ownership | Use district | Commercial zone |
| | Site area | 271.64m ² | FAR / Building coverage ratio | 500%/80% |
| Building | Type of ownership | Proprietary ownership | Confirmation inspection agency | House Plus K.K. |
| | Total floor area | 1,394.26m ² | Building designer | GENDAI SOUGO Architects&Engineers |
| | Structure / Floors | RC with flat roof, 11F | Structural designer | K.K. Tera Sekkei Kobo |
| | Use | Apartment | Construction contractor | Kiuchi Construction Co., Ltd |
| | Construction completion date | August 2006 | Trustee | Mizuho Trust & Banking Co., Ltd |
| Lease Conditions (as of august 31, 2012) | | | | |
| Total tenants | 1 | | Leasable units | 50 |
| Leased units | 49 | | Leasable floor area | 1,259.45m ² |
| Leased floor area | 1,234.56m ² | | Monthly rent (incl. common service charges) | JPY 5,795 thousand |
| Deposits, guarantees, etc. | JPY 10,552 thousand | | Occupancy rate (based on floor area) | 98.02% |
| Summary of Real Estate Appraisal Report | | | | |
| Real estate appraiser | Japan Real Estate Institute | Appraised date | May 9, 2012 | |
| Real estate appraised value | JPY 1,180 million | Cap rate | 4.9% | |
| Direct capitalization price | JPY 1,190 million | Discount rate | 4.7% | |
| DCF price | JPY 1,170 million | Terminal cap rate | 5.1% | |
| Income/Expenditures Assumed in Calculating Direct Capitalization Price | | Summary of Earthquake PML Assessment Report | | |
| Profit or loss from rental business | JPY 59,484 thousand | PML | 2.32% | |
| Special Notation | | | | |
| N/A | | | | |

(iv) N.S.ZEAL Higashizakura

| | | | | |
|---|------------------------------|---|---|--|
| Type of specified asset | | Beneficiary rights | Scheduled acquisition date | September 28, 2012 |
| Property Outline | | | | |
| Location | Residence indication | 2-17-25 Higashizakurai, Higashi-ku, Nagoya-shi, Aichi | | |
| Land | Type of ownership | Proprietary ownership | Use district | Commercial zone |
| | Site area | 1,240.78m ² | FAR / Building coverage ratio | 800%/80%, 400%/80%, 500%/80% |
| Building | Type of ownership | Proprietary ownership | Confirmation inspection agency | JAPAN ERI CO.,LTD |
| | Total floor area | 10,944.91m ² | Building designer | NGO Architecture Y.K. |
| | Structure / Floors | RC with flat roof, 15F/B1F | Structural designer | NGO Architecture Y.K. |
| | Use | Apartment | Construction contractor | YAHAGI CONSTRUCTION CO.,LTD. |
| | Construction completion date | February 2006 | Trustee | Mitsubishi UFJ Trust and Banking Corporation |
| Lease Conditions (as of August 31, 2012) | | | | |
| Total tenants | 1 | | Leasable units | 127 |
| Leased units | 123 | | Leasable floor area | 8,467.67m ² |
| Leased floor area | 8,159.28m ² | | Monthly rent (incl. common service charges) | JPY 20,525 thousand |
| Deposits, guarantees, etc. | JPY 22,218 thousand | | Occupancy rate (based on floor area) | 96.36% |

| Summary of Real Estate Appraisal Report | | | |
|--|---------------------------------------|---|---------------|
| Real estate appraiser | Daiwa Real Estate Appraisal Co., Ltd. | Appraised date | June 30, 2012 |
| Real estate appraised value | JPY 3,280 million | Cap rate | 5.7% |
| Direct capitalization price | JPY 3,290 million | Discount rate | 5.5% |
| DCF price | JPY 3,270 million | Terminal cap rate | 5.9% |
| Income/Expenditures Assumed in Calculating Direct Capitalization Price | | Summary of Earthquake PML Assessment Report | |
| Profit or loss from rental business | JPY 194,214 thousand | PML | 11.71% |
| Special Notation | | | |
| N/A | | | |

(v) Human Heim honcho

| Type of specified asset | Beneficiary rights | Scheduled acquisition date | September 28, 2012 |
|--|------------------------------|---|---|
| Property Outline | | | |
| Location | Residence indication | 1-9-32 Honcho, Aoba-ku, Sendai-shi, Miyagi | |
| Land | Type of ownership | Proprietary ownership | Use district Commercial zone |
| | Site area | 689.77m ² | FAR / Building coverage ratio 500%/80% |
| Building | Type of ownership | Proprietary ownership | Confirmation inspection agency Miyagi Prefecture Architecture housing center |
| | Total floor area | 3,377.22m ² | Building designer Kyodo Architects&Associates Ltd |
| | Structure / Floors | RC with flat roof, 14F | Structural designer Y.K. NK Planning |
| | Use | Apartment | Construction contractor Matsui Kensetsu K.K. |
| | Construction completion date | June 2007 | Trustee Mitsubishi UFJ Trust and Banking Corporation |
| Lease Conditions (as of August 31, 2012) | | | |
| Total tenants | 1 | Leasable units | 105 |
| Leased units | 105 | Leasable floor area | 3,142.50m ² |
| Leased floor area | 3,142.50m ² | Monthly rent (incl. common service charges) | JPY 7,580 thousand |
| Deposits, guarantees, etc. | JPY 13,877 thousand | Occupancy rate (based on floor area) | 100% |
| Summary of Real Estate Appraisal Report | | | |
| Real estate appraiser | Japan Real Estate Institute | Appraised date | July 31, 2012 |
| Real estate appraised value | JPY 1,180 million | Cap rate | 6.1% |
| Direct capitalization price | JPY 1,190 million | Discount rate | 5.9% |
| DCF price | JPY 1,170 million | Terminal cap rate | 6.3% |
| Income/Expenditures Assumed in Calculating Direct Capitalization Price | | Summary of Earthquake PML Assessment Report | |
| Profit or loss from rental business | JPY 74,577 thousand | PML | 1.54% |
| Special Notation | | | |
| N/A | | | |

(vi) Sun Vario Haranomachiekiamie

| Type of specified asset | Beneficiary rights | Scheduled acquisition date | September 28, 2012 |
|--|------------------------------|---|---|
| Property Outline | | | |
| Location | Residence indication | 1-9-32 Haranomachi, Miyagino-ku, Sendai-shi, Miyagi | |
| Land | Type of ownership | Proprietary ownership | Use district Commercial zone |
| | Site area | 581.71m ² | FAR / Building coverage ratio 400%/80% |
| Building | Type of ownership | Proprietary ownership | Confirmation inspection agency Miyagi Prefecture Architecture housing center |
| | Total floor area | 2,380.81m ² | Building designer M's Planning K.K |
| | Structure / Floors | RC with flat roof, 13F | Structural designer K.K. Structure Planning |
| | Use | Apartment | Construction contractor Wakagi Kensetsu Kogyo K.K. |
| | Construction completion date | September 2007 | Trustee Sumitomo Mitsui Trust Bank, Limited |
| Lease Conditions (as of August 31, 2012) | | | |
| Total tenants | 1 | Leasable units | 72 |
| Leased units | 71 | Leasable floor area | 2,111.76m ² |

| | | | |
|---|-----------------------------|--|--------------------|
| Leased floor area | 2,086.50m ² | Monthly rent (incl. common service charges) | JPY 4,443 thousand |
| Deposits, guarantees, etc. | JPY 8,217 thousand | Occupancy rate (based on floor area) | 98.80% |
| Summary of Real Estate Appraisal Report | | | |
| Real estate appraiser | Japan Real Estate Institute | Appraised date | July 15, 2012 |
| Real estate appraised value | JPY 617 million | Cap rate | 6.4% |
| Direct capitalization price | JPY 621 million | Discount rate | 6.2% |
| DCF price | JPY 612 million | Terminal cap rate | 6.6% |
| Income/Expenditures Assumed in Calculating Direct Capitalization Price | | Summary of Earthquake PML Assessment Report | |
| Profit or loss from rental business | JPY 41,594 thousand | PML | 1.32% |
| Special Notation | | | |
| N/A | | | |

[Explanation of Entries in Foregoing Tables]

(i) Explanation of “Property Outline”

- In principle, the entries are based on that as of August 31, 2012.
- “Residence indication” for the location provides the residence indication. For real estate in trust in an area without a residence indication, the location of the land as indicated in the registry is provided.
- “Type of ownership” provides the kind of rights held or to be held by the trustee for the real estate in trust.
- “Site area” for the land provides the area of the land as indicated in the registry.
- “Use district” for the land provides the use district classification given in Article 8-1-1 of the City Planning Law.
- “FAR” for the land is the numerical figure determined by city planning in accordance with the use district, etc.
- “Building coverage ratio” for the land is the numerical figure determined by city planning in accordance with the use district, etc.
- “Total floor area,” “Structure / Floors,” “Use” and “Construction completion date” for the building are each pursuant to the entries indicated in the registry for the real estate in trust.
- “Use” for the building provides the primary use out of the types indicated in the registry for the real estate in trust.
- In the “Trustee” column are listed either the holder of the trust agreement concerning the real estate in trust as of today or the party scheduled to be the trustee. A hyphen is marked for real estate for which no trust agreements have been concluded as of today.

(ii) Explanation of “Lease Conditions”

- In principle, the entries are based on that as of August 31, 2012.
- “Leasable units” provides the number of leasable units of the real estate in trust or real estate as of the date of this document based on information received from the operator of silent partnership.
- “Leasable floor area” provides the leasable floor area of the real estate in trust or real estates that ADR will acquire as of the date of this document based on information received from the operator of silent partnership.
- “Monthly rent” is based on information received from the operator of silent partnership, and it excludes excludes usage fees of affixed facilities such as monthly parking lots and trunk rooms.
- “Deposits, guarantees, etc.” is based on information received from the operator of silent partnership, and it includes excludes usage fees of affixed facilities such as monthly parking lots and trunk rooms. However, in case in the lease contracts there are special provision that allow nonreturnable deposits, such as cancellation deduction and amortization of security deposit, then the monetary amount is provided after the deduction.

(iii) Explanation of “Summary of Real Estate Appraisal Report”

- The entries in each field of “Summary of Real Estate Appraisal Report” are pursuant to the entries in the appraisal report prepared by Japan Real Estate Institute, Daiwa Real Estate Appraisal Co., Ltd. Morii Appraisal & Investment Consulting Inc. for the respective real estates in trust.
- The monetary amounts are rounded down to the nearest million yen.

(iv) Explanation of “Income/Expenditures Assumed in Calculating Direct Capitalization Price”

“Income/Expenditures Assumed in Calculating Direct Capitalization Price” provides monetary amounts according to the real estate appraisal report for the respective real estates in trust.

(v) Explanation of “Special Notation”

“Special Notation” presents matters recognized to be of importance in association with the rights, use, etc. of the assets to be acquired, as well as matters recognized to be of importance in the consideration of the degree of impact on the appraised value, profitability and appropriation of the assets to be acquired, including the following matters.

- Significant limitations or restrictions by laws, ordinances, rules and regulations.
- Significant burdens or limitations with regard to rights.
- Significant cases where there are architectural structures crossing the boundaries of the concerned real estate in trust and cases where there are issues with boundary confirmation; and related arrangements, etc.
- Significant agreements and arrangements made with co-owners / sectional owners.

(3) Overview of operator of silent partnership to be invested

| | | |
|---|--|------------------------------|
| Trade Name | G. K. RISING | |
| Head Office Location | 3-1-1 Marunouchi, Chiyoda-ku, Tokyo, inside Tokyo kyodo Accounting Office | |
| Principal Business | 1. Acquisition, possession, disposal, leasing and management of real estate 2. Acquisition, possession and disposal of beneficiary rights for real estate in trust 3. All business incidental to the above | |
| Representative | Managing partner Administrator | RISING Hisayoshi Kitagawa |
| Capital | 100,000 yen | |
| Date of establishment | August 21, 2012 | |
| Relationship with ADR or its asset management company | | |
| Capital relations Personal relations Business relations | There are no capital relations, personal relations or business relations to be stated between G. K. RISING and ADR or its asset management company. Also, there are no capital relations, personal relations or business relations to be noted between related parties or related companies of G. K. RISING and related parties or related companies of ADR or its asset management company. | |
| Interested party status | G. K. RISING does not constitute an interested party of ADR or its asset management company. Also, the related parties and related companies of G. K. RISING do not constitute interested parties of ADR or its asset management company. | |

4. Settlement Method

As indicated below in “5. Acquisition Schedule.”

5. Acquisition Schedule

| | |
|-----------------------------------|--|
| September 26, 2012 | Acquisition decided |
| September 26, 2012 | Conclusion of silent partnership agreement |
| September 27, 2012 | Investment in silent partnership scheduled |
| September 30, 2012 (scheduled) | Delivery of beneficiary rights for real estate in trusts to the operator of silent partnership |

6. Future Outlook

The management performance forecasts for the fiscal period ending January 2012 (from August 1, 2012 to January 31, 2012) and July 2013 (from February 1, 2012 to July 31, 2013) remain unchanged.

<Attachment>

Reference Material: Photo of façade of the real estates in trust
Map of the surrounding area of the real estates in trust

* 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.

Reference Material: Photo of façade of the real estates in trust
(i) Forecity Ojima



(ii) Artis Court Minamiaoyama



(iii) Pleiade Nakameguro



(iv) N.S.ZEAL Higashizakura



(v) Human Heim honcho



(vi) Sun Vario Haranomachiekimae



Reference Material: Map of the surrounding area of the real estates in trust

(i) Forecity Ojima



(ii) Artis Court Minamiaoyama



(iii) Pleiade Nakameguro



(iv) N.S.ZEAL Higashizakura



(v) Human Heim honcho



(vi) Sun Vario Haranomachiekimae

