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For Immediate Release

Advance Residence Investment Corporation
Securities Code : 3269
3-26 Kanda Nishiki-cho, 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 Signing of Interest Rate Swap Agreement

Advance Residence Investment Corporation 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 6,100 million yen loan^(Note), to be made on April 30, 2013.

^(Note)Please refer to the “Notice Concerning Debt Financing and Repayment of Loan” dated April 24, 2013 for details.

2. Details of the interest rate swap agreement

Long-term loan (6,100 million yen, 8 year 6 month)

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|-----------------------------|--|------------------------|-------------------|
| (1) Counterparty: | Mitsubishi UFJ Trust and Banking Corporation | | |
| (2) Notional principal: | 6,100 million yen | | |
| (3) Interest rate: | Pay: | Fixed rate interest | 0.65425% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period: | From April 30, 2013 to October 29, 2021 | | |
| (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 July 2013 and ending on the contract period end of October 29, 2021. | | |

The interest rate for the loan above (principal amount of 6,100 million yen, 8 year 6 month) is to be basically fixed at 1.25425% 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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