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For Immediate Release

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Notice Concerning Signing of Interest Rate Swap Agreements

Advance Residence Investment Corporation announced today its decision to enter into interest rate swap agreements as detailed below.

1. Reason for entering into the interest rate swap agreements

To hedge the risk of interest rate fluctuations of 3,500 million yen loan^(Note), to be made on September 13, 2013.

^(Note)Please refer to the "Notice Concerning Debt Financing and Repayment of Loan" dated September 10, 2013 for details.

2. Details of the interest rate swap agreement

Long-term loan (2,000 million yen, 7 year)

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| (1) Counterparty: | Mitsubishi UFJ Trust and Banking Corporation |
| (2) Notional principal: | 2,000 million yen |
| (3) Interest rate: | Pay: Fixed rate interest 0.66800% |
| | Receive: Floating-rate interest 3 month yen TIBOR |
| (4) Contract period: | From September 13, 2013 to September 30, 2020 |
| (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 October 2013 and ending on the contract period end of September 30, 2020. |

The interest rate for the loan above (principal amount of 2,000 million yen, 7 year) is to be basically fixed at 1.06800% by entering the interest rate swap agreement.

Long-term loan (500 million yen, 6 year)

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|-----------------------------|---|
| (1) Counterparty: | The Bank of Tokyo-Mitsubishi UFJ, Ltd. |
| (2) Notional principal: | 500 million yen |
| (3) Interest rate: | Pay: Fixed rate interest 0.56900% |
| | Receive: Floating-rate interest 3 month yen TIBOR |
| (4) Contract period: | From September 13, 2013 to September 30, 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 October 2013 and ending on the contract period end of September 30, 2019. |

The interest rate for the loan above (principal amount of 500 million yen, 6 year) is to be basically fixed at 0.91900% by entering the interest rate swap agreement.

Long-term loan (1,000 million yen, 5 year)

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|-----------------------------|--|------------------------|-------------------|
| (1) Counterparty: | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | | |
| (2) Notional principal: | 1,000 million yen | | |
| (3) Interest rate: | Pay: | Fixed rate interest | 0.47375% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period: | From September 13, 2013 to September 28, 2018 | | |
| (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 October 2013 and ending on the contract period end of September 28, 2018 | | |

The interest rate for the loan above (principal amount of 1,000 million yen, 5 year) is to be basically fixed at 0.77375% by entering the interest rate swap agreement.

* URL: <http://www.adr-reit.com>

[Provisional Translation Only]

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Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.