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For Immediate Release

Advance Residence Investment Corporation
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Notice Concerning Change in Master Lessee and Property Manager

Advance Residence Investment Corporation (ADR) announced today its decision to change the master lessee (ML) and the property manager (PM) as detailed below.

1. Summary of the change

The ML and the PM for a property will be changed as follows on December 1, 2013.

	Property Name	Former		New	
		ML	PM	ML	PM
C-46	RESIDIA Mejiro	TOKYU LIVABLE, Inc.		ITOCHU Urban Community Ltd.	

2. Reason for the change

By consolidating the property management of ADR's properties to Itochu Urban Community (IUC) which is the major master lessee and property manager of ADR, it will strengthen the cooperation between ADR and IUC. Furthermore, it will promote greater operational management efficiencies and stronger leasing capabilities, and lead to better revenue-generating potential.

The change announced today follows the above mentioned policy. ADR will continue the consolidation of PM companies according to characteristics of each properties under management and the regional strength of the PM companies to achieve higher operational management quality and efficiencies in the long-term.

The number of properties managed by ADR's major property manager IUC after the above change are as listed below.

Under Management	As of November 30, 2013		As of December 1, 2013	
	IUC	Portfolio Share	IUC	Portfolio Share
No. of properties	117 properties	56.80 %	118 properties	57.28 %
No. of units	9,381 units	52.43%	9,543 units	53.33 %

3. New ML&PM profile

Trade name	ITOCHU Urban Community Ltd.
Head office location	2-7-1 Nihonbashi Hon-cho, Chuo-ku, Tokyo
Capital	JPY 310 million
Representative	Shigeo Inokuma, President and Representative Director
Shareholder	ITOCHU Corporation
Principal business	Apartment management, Property management, building management, rental apartment management and consumer-oriented services.
Relationship with ADR or its asset management company	IUC constitutes an interested party of the asset management company as defined in the Investment Trusts and Investment Corporations Law article no. 123. Therefore the asset management company chose IUC as ML and PM according to procedures stipulated in the company bylaw titled “Related-Party Transaction Rules”.

* 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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