



June 27, 2012

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 (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 2,700 million yen loan^(Note1), to be made on June 29, 2012.

^(Note1)Please refer to the "Notice Concerning Debt Financing and Repayment of Loans" dated June 19, 2012 for details.

2. Details of interest rate swap agreement

Long-term loan (2,700million yen, 7 year)

- | | | | |
|-----------------------------|---|------------------------|-------------------|
| (1) Counterparty: | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | | |
| (2) Notional principal: | 2,700 million yen | | |
| (3) Interest rate: | Pay: | Fixed rate interest | 0.54750% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period: | From June 29, 2012 to June 28, 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 July 2012 and the end of the contract which is June 28, 2019. | | |

The interest rate for the LOAN (principal amount of 2,700 million yen) is to be basically fixed at 1.24750% 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]

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.