



October 9, 2012

For Immediate Release

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Notice Concerning Signing of Interest Rate Swap Agreement

Advance Residence Investment Corporation announced today its decision to enter into an 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 1,000 million yen loan^(Note), to be made on November 20, 2012.

^(Note)Please refer to the “Notice Concerning Debt Financing” dated September 26, 2012 for details.

2. Details of interest rate swap agreement

Long-term loan (1,000 million yen, 7 year)

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|-----------------------------|--|------------------------|-------------------|
| (1) Counterparty: | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | | |
| (2) Notional principal: | 1,000million yen | | |
| (3) Interest rate: | Pay: | Fixed rate interest | 0.52500% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period: | From November 20, 2012 to November 29, 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 January 2013 and the end of the contract which is November 29, 2019. | | |

The interest rate for the loan above (principal amount of 1,000 million yen, 7 year) is to be basically fixed at 1.02500% 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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