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For Immediate Release

Advance Residence Investment Corporation  
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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 4,458 million yen loan<sup>(Note)</sup>, to be made on June 25, 2013.

<sup>(Note)</sup>Please refer to the "Notice Concerning Debt Financing and Repayment of Loan" dated June 18, 2013 for details.

#### 2. Details of the interest rate swap agreement

Long-term loan (2,160 million yen, 8 year 6 month)

- |                             |   |                        |                   |
|-----------------------------|---|------------------------|-------------------|
| (1) Counterparty:           | The Bank of Tokyo-Mitsubishi UFJ, Ltd.  |                        |                   |
| (2) Notional principal:     | 2,160 million yen   |                        |                   |
| (3) Interest rate:          | Pay:  | Fixed rate interest    | 1.03000%          |
|                             | Receive:  | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period:        | From June 25, 2013 to December 22, 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 December 22, 2021. |                        |                   |

The interest rate for the loan above (principal amount of 2,160 million yen, 8 year 6 month) is to be basically fixed at 1.63000% by entering the interest rate swap agreement.

Long-term loan (2,298 million yen, 8 year)

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|-----------------------------|---|------------------------|-------------------|
| (1) Counterparty:           | Mitsubishi UFJ Trust and Banking Corporation  |                        |                   |
| (2) Notional principal:     | 2,298 million yen   |                        |                   |
| (3) Interest rate:          | Pay:  | Fixed rate interest    | 0.99150%          |
|                             | Receive:  | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period:        | From June 25, 2013 to June 25, 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 June 25, 2021. |                        |                   |

The interest rate for the loan above (principal amount of 2,298 million yen, 8 year) is to be basically fixed at 1.54150% by entering the interest rate swap agreement.



\* 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.*