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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 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 April 19, 2013.

^(Note)Please refer to the “Notice Concerning Debt Financing” dated April 16, 2013 for details.

2. Details of the interest rate swap agreement

Long-term loan (1,000 million yen, 4 year 10 month)

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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 | 0.44125% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period: | From April 19, 2013 to February 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 April 2013 and ending on the contract period end of February 28, 2018. | | |

The interest rate for the loan above (principal amount of 1,000 million yen, 4 year 10 month) is to be basically fixed at 0.79125% 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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