



November 27, 2013

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. Purpose for entering into the interest rate swap agreements

To hedge the risk of interest rate fluctuations of 1,800 million yen loan<sup>(Note)</sup>, to be made on November 29, 2013.

<sup>(Note)</sup>Please refer to the "Notice Concerning Debt Financing" dated November 21, 2013 for details.

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

Long-term loan (1,800 million yen, 8 year)

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|-----------------------------|--|
| (1) Counterparty:           | Mizuho Bank, Ltd.  |
| (2) Notional principal:     | 1,800 million yen  |
| (3) Interest rate:          | Pay: Fixed rate interest 0.66300%  |
|                             | Receive: Floating-rate interest 3 month yen TIBOR  |
| (4) Contract period:        | From November 29, 2013 to November 26, 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 January 2014 and ending on the contract period end of November 26, 2021. |

The interest rate for the loan above (principal amount of 1,800 million yen, 8 year) is to be basically fixed at 1.16300% 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>

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