



February 13, 2014

For Immediate Release

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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 loans totaling 20,880 million yen^(Note), to be made on February 17, 2014.

^(Note)Please refer to the "Notice Concerning Debt Financing and Repayment of Loans" dated February 7, 2014 for details.

2. Details of the interest rate swap agreement

Long-term loan (500 million yen, 11 year)

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|-----------------------------|--|------------------------|-------------------|
| (1) Counterparty: | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | | |
| (2) Notional principal: | 500 million yen | | |
| (3) Interest rate: | Pay: | Fixed rate interest | 0.96825% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period: | From February 17, 2014 to February 14, 2025 | | |
| (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 2014 and ending on the contract period end of February 14, 2025. | | |

The interest rate for the loan above (principal amount of 500 million yen, 11 year) is to be basically fixed at 1.59325% by entering the interest rate swap agreement.

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

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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 | 0.86325% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period: | From February 17, 2014 to February 16, 2024 | | |
| (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 2014 and ending on the contract period end of February 16, 2024. | | |

The interest rate for the loan above (principal amount of 1,000 million yen, 10 year) is to be basically fixed at 1.43825% by entering the interest rate swap agreement.



Long-term loan (3,660 million yen, 9 year)

- (1) Counterparty: The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- (2) Notional principal: 3,660 million yen
- (3) Interest rate: Pay: Fixed rate interest 0.75810%
Receive: Floating-rate interest 3 month yen TIBOR
- (4) Contract period: From February 17, 2014 to February 16, 2023
- (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 2014 and ending on the contract period end of February 16, 2023

The interest rate for the loan above (principal amount of 3,660 million yen, 9 year) is to be basically fixed at 1.28310% by entering the interest rate swap agreement.

Long-term loan (5,800 million yen, 8 year)

- (1) Counterparty: Mitsubishi UFJ Trust and Banking Corporation
- (2) Notional principal: 5,800 million yen
- (3) Interest rate: Pay: Fixed rate interest 0.65275%
Receive: Floating-rate interest 3 month yen TIBOR
- (4) Contract period: From February 17, 2014 to February 16, 2022
- (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 2014 and ending on the contract period end of February 16, 2022

The interest rate for the loan above (principal amount of 5,800 million yen, 8 year) is to be basically fixed at 1.07775% by entering the interest rate swap agreement.

Long-term loan (4,670 million yen, 7 year)

- (1) Counterparty: Mitsubishi UFJ Trust and Banking Corporation
- (2) Notional principal: 4,670 million yen
- (3) Interest rate: Pay: Fixed rate interest 0.54430%
Receive: Floating-rate interest 3 month yen TIBOR
- (4) Contract period: From February 17, 2014 to February 16, 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 April 2014 and ending on the contract period end of February 16, 2021

The interest rate for the loan above (principal amount of 4,670 million yen, 7 year) is to be basically fixed at 0.89430% by entering the interest rate swap agreement.

Long-term loan (5,250 million yen, 6 year)

- (1) Counterparty: Mitsubishi UFJ Trust and Banking Corporation
- (2) Notional principal: 5,250 million yen
- (3) Interest rate: Pay: Fixed rate interest 0.44180%
Receive: Floating-rate interest 3 month yen TIBOR
- (4) Contract period: From February 17, 2014 to February 14, 2020
- (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 2014 and ending on the contract period end of February 14, 2020

The interest rate for the loan above (principal amount of 5,250 million yen, 6 year) is to be basically fixed at 0.74180% 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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Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.