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For Immediate Release

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Notice Concerning on Signing of Interest Rate Swap Agreement

Advance Residence Investment Corporation (ADR) 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 5,000 million yen floating rate loan ^(Note1) (hereafter; the LOAN) to be made on December 26, 2011.

^(Note1)Please refer to the "Notice Concerning Debt Financing and Repayment of Loans" dated December 20, 2011 for details on the LOAN.

2. Details of interest rate swap agreement

Long-term loan (5,000million yen, 4 year 11 month)

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|-----------------------------|--|------------------------|-------------------|
| (1) Counterparty: | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | | |
| (2) Notional principal: | 5,000 million yen | | |
| (3) Interest rate: | Pay: | Fixed rate interest | 0.49250% |
| | Receive: | Floating-rate interest | 3 month yen TIBOR |
| (4) Contract period: | From December 26, 2011 to November 30, 2016. | | |
| (5) Interest payment dates: | Interest payment dates are January 31, 2012, end date of the months of January, April, July and October of every year during the contract period and the end of the contract which is November 30, 2016. | | |

The interest rate for the LOAN is to be basically fixed at 1.17250% 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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