

September 14, 2005

For Immediate Release

New City Residence Investment Corporation
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Tetsuya Fujita, Executive Officer
(Securities Code: 8965)

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Notice Concerning the Repayment of Debt Financing

New City Residence Investment Corporation (“the Investment Corporation”) today announced that it has repaid debt financing as follows:

1. Reason for repayment of debt financing

In accordance with the financial policy of the Investment Corporation to plan for financial flexibility and improved interest rate returns, the Investment Corporation will participate in a public offering of investment units. Proceeds will be used to prepay debt finance of ¥20 billion on September 14, 2005.

(Note) For details of the investment unit offerings please refer to the press releases issued on August 18, 2005, “Notice Concerning the Additional Issue of New Investment Units and Secondary Offering,” and September 5, 2005, “Notice Concerning the Determination of the Issue Price of the New Investment Units.”

2. Details of Debt Financing Repaid

(1) Line of Credit (A) Agreement dated February 24, 2005, pursuant to the Commitment Line of Credit (A) Agreement dated December 15, 2004 (and amendments thereto.)

1	Lender	:	The Chuo Mitsui Trust and Banking Company, Limited, The Sumitomo Trust & Banking Co., Ltd., The Norinchukin Bank
2	Amount	:	¥8.8billion
3	Interest Rate	:	0.96%
4	Drawdown Date	:	February 25, 2005
5	Repayment Due	:	February 24, 2006
6	Collateral	:	Yes
7	Repayment Date	:	September 14, 2005

(2) Line of Credit (A) Agreement dated April 20, 2005, pursuant to the Commitment
Line of Credit (A) Agreement dated December 15, 2004 (and amendments thereto.)

1	Lender	:	The Mitsubishi Trust and Banking Corporation
2	Amount	:	¥1billion
3	Interest Rate	:	0.96%
4	Drawdown Date	:	April 21, 2005
5	Repayment Due	:	April 20, 2006
6	Collateral	:	Yes
7	Repayment Date	:	September 14, 2005

(3) Line of Credit (A) Agreement dated April 20, 2005, pursuant to the Commitment
Line of Credit (A) Agreement dated December 15, 2004 (and amendments thereto.)

1	Lender	:	The Chuo The Chuo Mitsui Trust and Banking Company, Limited
2	Amount	:	¥0.9billion
3	Interest Rate	:	0.96%
4	Drawdown Date	:	April 21, 2005
5	Repayment Due	:	April 20, 2006
6	Collateral	:	Yes
7	Repayment Date	:	September 14, 2005

(4) Line of Credit (A) Agreement dated June 9, 2005, pursuant to the Commitment
Line of Credit (A) Agreement dated December 15, 2004 (and amendments thereto.)

1	Lender	:	The Chuo The Chuo Mitsui Trust and Banking Company, Limited, and The Bank of Fukuoka
2	Amount	:	¥5.3 billion
3	Interest Rate	:	0.96533%
4	Drawdown Date	:	June 10, 2005
5	Repayment Due	:	June 9, 2006
6	Collateral	:	Yes
7	Repayment Date	:	September 14, 2005

(5) Line of Credit (B) Agreement dated June 27, 2005, pursuant to the Commitment
Line of Credit (B) Agreement dated December 15, 2004 (and amendments thereto.)

1	Lender	:	The Chuo The Chuo Mitsui Trust and Banking Company, Limited, and Aozora Bank, Ltd.
2	Amount	:	¥4 billion
3	Interest Rate	:	0.95935%
4	Drawdown Date	:	June 28, 2005
5	Repayment Due	:	March 27, 2006
6	Collateral	:	Yes
7	Repayment Date	:	September 14, 2005

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- URL: <http://www.ncrinv.co.jp>

Attachment

Total Debt Financing Balance After Debt Financing

(Millions of yen)

		Debt Financing Balance Prior to Debt Financing	Debt Financing Balance After Debt Financing	Change
Short-Term Debt	Commitment Line of Credit (A)	16,000	0	(16,000)
	Commitment Line of Credit (B)	20,700	16,700	(4,000)
Long-Term Debt	Term Loan (A)	10,200	10,200	—
	Term Loan (B)	15,300	15,300	—
Total Debt Financing Balance		62,200	42,200	(20,000)
Total Unitholders' Equity (Note 1)		39,357	64,326	24,969
Interest-Bearing Liabilities Ratio (%) (Notes 2 &3)		61.2	39.6	(21.6)

Notes:

1. Figures under million yen are rounded.
2. Interest-bearing liabilities ratio (%) = $\text{Interest-bearing liabilities} \div (\text{Interest-bearing liabilities} + \text{Unitholders' equity}) \times 100$
3. The interest-bearing liabilities ratio is rounded to the nearest first decimal point.