

September 16, 2005

**For Immediate Release**

New City Residence Investment Corporation  
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(Securities Code: 8965)

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**Notice Concerning Debt Financing and Repayment**

New City Residence Investment Corporation (“NCRI” or “the Investment Corporation”) today announced its decision to undertake debt refinancing and repayment of Commitment Line of Credit (B). Brief details are 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, NCRI has decided to undertake debt financing for repayments of the Commitment Line of Credit (B)\*1 as well as to support the acquisition of trust beneficiary interests\*2 in certain properties and payment of associated costs.

Notes:

- 1) Please refer to the 3. below for details.
- 2) The aforementioned trust beneficiary interests relate to trust beneficiary interests in NCR Takanawadai II, NCR Minami Azabu, NCR Ikebukuro, NCR Honmachi East and NCR Shin-Umeda (“the subject trust beneficiary interests”) disclosed on the press release “Notice Concerning the Proposed Acquisition of Investment Asset,” dated August 3, 2005.

**2. Details of Debt Financing**

(1) Trust beneficiary interests

- |   |                         |   |   |
|---|-------------------------|---|---|
| 1 | Lender                  | : | The Chuo Mitsui Trust and Banking Company, Limited, The UFJ Trust Bank Ltd., The Sumitomo Trust & Banking Co., Ltd., Aozara Bank Ltd., Resona Bank, Limited, The Hyakugo Bank, LTD. |
| 2 | Amount                  | : | ¥21.6 billion   |
| 3 | Interest Rate           | : | 0.51161%  |
| 4 | Drawdown Date (Planned) | : | September 21, 2005 and December 1, 2005<br>(Planned to drawdown 18 billion yen on September 21, 2005 and 3.6 billion yen on December 1, 2005, respectively.                         |
| 5 | Debt Financing Method   | : | Pursuant to the Term Loan (C) dated September 16, 2005.   |

- 6 Repayment Method : Principal repayment in full on maturity  
7 Repayment Date : September 21, 2008 (Planned)  
September 21, 2010 (Due)  
8 Collateral : The Investment Corporation has agreed to provide a first right of pledge  
over the below listed subject trust beneficiary interests to be acquired.

1	NCR Nihonbashi Ningyocho I
2	NCR Nihonbashi Ningyocho II
3	NCR Shin-Ochanomizu
4	NCR Jinbocho
5	NCR Nihonbashi Ningyocho III
6	NCR Jinbocho II
7	NCR Ginza East III
8	NCR Shinjyuku Gyoen I
9	NCR Sasazuka
10	NCR Takanawadai
11	NCR Nihonabshi Ningyocho IV
12	NCR Shinjyuku Gyoen II
13	NCR Ginza East IV
14	NCR Takanawadai II
15	NCR Minami Azabu
16	NCR Otsuka
17	NCR Morishita
18	NCR Wakabayashi koen
19	NCR Asakusabashi
20	NCR Gakugeidaigaku
21	NCR Jiyugaoka
22	NCR Mejiro East
23	NCR Iriya
24	NCR Ikebukuro
25	PT Ichikawa
26	PT Shioyaki
27	PT Horie
28	Aprile Tarumi
29	NCR Uehonmachi
30	Crest Kusatsu
31	NCR Honmachi East
32	NCR Shin-Umeda

### 3. Details of Loan Repayments

- (1) Line of Credit (B), dated July 1, 2005, pursuant to the Commitment Line of Credit (B) Agreement, dated December 15, 2004 (and amendments thereto.)

- 1 Lender : The UFJ Trust Bank, Ltd.  
2 Amount : ¥2.4 billion  
3 Interest Rate : 0.96400%  
4 Drawdown Date : July 5, 2005  
5 Repayment Method : Principal repayment in full on maturity  
6 Repayment Due : July 5, 2006  
7 Collateral : Yes  
8 Repayment Date : September 21, 2005

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

1	Lender	:	The Chuo Mitsui Trust and Banking Company, Limited, The Aozora Bank, Ltd., The Hachijuni Bank, Ltd., THE HYAKUGO BANK, LTD.
2	Amount	:	¥12.5 billion
3	Interest Rate	:	0.94935%
4	Drawdown Date	:	July 28, 2005
5	Repayment Method	:	Principal repayment in full on maturity
6	Repayment Due	:	July 28, 2006
7	Collateral	:	Yes
8	Repayment Date	:	September 21, 2005

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

1	Lender	:	The UFJ Trust Bank, Ltd.
2	Amount	:	¥ 1.8billion
3	Interest Rate	:	0.94903%
4	Drawdown Date	:	July 29, 2005
5	Repayment Method	:	Principal repayment in full on maturity
6	Repayment Due	:	July 28, 2006
7	Collateral	:	Yes
8	Repayment Date	:	September 21, 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 (B)	16,700	—	(16,700)
Long-Term Debt	Term Loan (A)	10,200	10,200	—
	Term Loan (B)	15,300	15,300	—
	Term Loan (C)	—	21,600	21,600
Total Debt Financing Balance		45,200	47,100	4,900
Total Unitholders' Equity(Note1)		64,326	64,326	—
Interest-Bearing Liabilities Ratio (%) (Notes 2 & 3)		39.6	42.3	2.7

#### Notes:

1. Figures under million yen are rounded.
2. Interest-bearing liabilities ratio (%) = Interest-bearing liabilities ÷ (Interest-bearing liabilities + Unitholders' equity) x 100
3. The interest-bearing liabilities ratio is rounded to the nearest first decimal point.