

December 1, 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 Debt Financing

New City Residence Investment Corporation (“NCRI” or “the Investment Corporation”) today announced that debt financing were executed on December 1, 2005. Brief details are as follows.

1. Reason for Debt Financing

Please refer to the press release “Notice Concerning Debt Financing and Repayment,” dated September 16, 2005, for details.

2. Details of Debt Financing

(1) Trust beneficiary interests

- | | | | |
|---|-----------------------|------|--|
| 1 | Lender | : | The Chuo Mitsui Trust and Banking Company, Limited, Mitsubishi UFJ Trust and Banking Corporation, The Sumitomo Trust & Banking Co., Ltd., Aozora Bank Ltd., Resona Bank, Limited, The Hyakugo Bank, LTD. |
| 2 | Amount | : | ¥3.6 billion |
| 3 | Interest Rate | : | 0.48222% |
| | | | Note: Total debt financing balance is ¥21.6 billion; ¥18 billion debt financing is executed on Sep. 21, 2005. |
| 4 | Drawdown
(Planned) | Date | : December 1, 2005 |
| 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

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
Long-Term Debt	Term Loan (A)	10,200	10,200	—
	Term Loan (B)	15,300	15,300	—
	Term Loan (C)	18,000	21,600	3,600
Total Debt Financing Balance		43,500	47,100	3,600
Total Unitholders' Equity (Note1)		65,106	65,106	—
Interest-Bearing Liabilities Ratio (%) (Notes 2 & 3)		40.1	42.0	1.9

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.

This English language notice is a translation of the Japanese language notice dated December 1, 2005 and was prepared solely for the convenience of, and reference by, overseas investors. NCRI makes no warranties as to its accuracy or completeness.