

November 24, 2006

For Immediate Release

New City Residence Investment Corporation
1-10-6 Roppongi, Minato-ku, Tokyo
Tetsuya Fujita, Executive Officer
(Securities Code: 8965)

Asset Management Company of Investment Trusts:
CBRE Residential Management K.K.
Tetsuya Fujita, Representative Director

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Notice Concerning the Repayment of Debt Financing

New City Residence Investment Corporation (“the Investment Corporation”) today announced its decision to repay debt financing as follows:

1. Reason for repayment of debt financing

In accordance with the financial policy of the Investment Corporation to achieve financial flexibility and improved balance in interest-bearing payments, a portion of debt finance will be repaid early using proceeds from additional issue of new investment units and cash reserves.

(Note) For details of additional issue of new investment units, please refer to the press release issued on October 27, 2006, “Notice Concerning the Additional Issue of New Investment Units and Secondary Offering” and on November 14, 2006, “Notice Concerning Pricing for the Additional Issue of New Investment Units and Secondary Offering.”

2. Details of Debt Financing Repaid

(1) Debt financing executed on April 27, 2006 pursuant to “Basic Collateral Free Loan Agreement” dated April 26, 2006 (and amendments thereto.)

1 Lender : The Chuo Mitsui Trust and Banking Company., Limited, The Sumitomo Trust & Banking, Co., Ltd., Shinsei Bank, Limited., Mitsui Sumitomo Insurance Co., Ltd., Hyakugo Bank, Ltd., The Hiroshima Bank Ltd., The Bank of Fukuoka, Ltd., North Pacific Bank ,LTD., The Yamaguchi Bank Ltd., The Chiba Bank Ltd., Shizuoka Bank Limited

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2 Amount : ¥14.7billion
3 Repayment Amount ¥14.7billion
4 Repayment Due : April 27, 2007
5 Repayment Date (planned) : November 30, 2006

(2) Debt financing executed on June 30, 2006 pursuant to “Basic Collateral Free Loan Agreement” dated April 26, 2006 (and amendments thereto.)

1 Lender : The Chuo Mitsui Trust and Banking Company, Limited, Shinsei Bank, Limited., Resona Bank, The Bank of Fukuoka, Ltd., Hyakugo Bank, Ltd., North Pacific Bank ,LTD., The Musashino Bank, Ltd., The Chiba Bank Ltd.,
2 Amount : ¥13 billion
3 Repayment Amount ¥5.3billion
4 Repayment Due : June 29, 2007
5 Repayment Date (planned) : November 30, 2006

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Attachment

Total Debt Financing Balance After Additional Issue of New Investment Units and Repayment of Debt Financing

(Millions of yen)

		Debt Financing Balance Prior to Additional Issue of New Investment Units and Repayment of Debt Financing	Debt Financing Balance After Additional Issue of New Investment Units and Repayment of Debt Financing	Change
Short-Term Debt	Basic Collateral Free Loan	27,700	7,700	(20,000)
Long-Term Debt	Term Loan (A)	10,200	10,200	—
	Term Loan (B)	12,200	12,200	—
	Term Loan (C)	21,100	21,100	—
Total Debt Financing Balance		71,200	51,200	(20,000)
Investment Corporation Bonds		14,000	14,000	—
Total Interest-bearing liabilities		85,200	65,200	(20,000)
Total Unitholders' Equity (Note 1)		65,106	85,064	19,958
Interest-Bearing Liabilities Ratio (%) (Notes 2 &3)		56.7%	43.4%	(13.3%)

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.

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