

December 21, 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:  
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**Notice Concerning Debt Financing**

New City Residence Investment Corporation (hereafter referred to as “NCRI” or the “Investment Corporation”) today announced its decision to undertake debt financing as follows:

**1. Rationale**

NCRI has decided to undertake debt financing to support the acquisition of trust beneficiary interests in a certain property (Note) and payment of associated costs.

Note: The aforementioned trust beneficiary interests relate to trust beneficiary interests in Catherina Mita Towersuite (New City Residence) (“the subject trust beneficiary interests”). Please refer to the press release “Notice Concerning the Proposed Acquisition of Investment Asset,” dated December 21, 2006 for details.

**2. Details of debt financing**

- |   |                       |   |  |
|---|-----------------------|---|--|
| 1 | Lender                | : | The Chuo Mitsui Trust and Banking Co. Ltd.<br>Sumitomo Trust & Banking Ltd.<br>The Shinsei Bank<br>Resona Bank, Ltd.<br>The Bank of Fukuoka, Ltd.<br>Hyakugo Bank, Ltd.<br>North Pacific Bank, Ltd.<br>The Chiba Bank, Ltd.<br>The Yamaguchi Bank, Ltd.<br>Mitsui Sumitomo Insurance Co., Ltd. |
| 2 | Amount                | : | ¥16.8 billion  |
| 3 | Interest rate         | : | 1.01022%   |
| 4 | Borrowing period      | : | One year   |
| 5 | Drawdown date         | : | December 22, 2006  |
| 6 | Debt financing method | : | In regards to Basic Collateral Free Loan Agreement dated April 26, 2006 (hereafter “this Basic Agreement” including changes thereafter and adding the lender), NCRI will conclude monetary loan agreement on December 21, 2006 with the lenders in the above 1.                                |

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*This English language notice is a translation of the Japanese language notice issued on the same day and was prepared solely for the convenience of, and reference by, overseas investors. NCRI makes no warranties as to its accuracy or completeness.*

- 7 Repayment date : December 21, 2007  
8 Repayment method : Principal repayment in full on maturity  
9 Collateral : No collateral or guarantee (Note)

Note: A mortgage will be placed when one of the certain reasons designated in this Agreement occur after the loan is executed.

### **3. Use of debt financing**

Debt financing will be used to acquire trust beneficiary interests in specified assets.

- This document is released to media organizations through the “Kabuto Club” (the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure and Transport Press Club, and the Press Club for the Ministry of Land, Infrastructure and Transport Construction Paper.
- URL: <http://www.ncrinv.co.jp>

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## Attachment

### Total Interest-bearing Liabilities

(Millions of yen)

		Debt Financing Balance Prior to Additional Debt Financing and Repayment	Debt Financing Balance After Additional Debt Financing and Repayment	Change
Short-Term Debt	Basic Collateral Free Loan	8,500	25,300	16,800
Long-Term Debt	Term Loan (B)	12,200	12,200	—
	Term Loan (C)	21,100	21,100	—
	Basic Collateral Free Loan	17,700	17,700	—
Total Debt Financing Balance		59,500	76,300	16,800
Corporate bonds		14,000	14,000	—
<b>Total Interest-bearing Liabilities</b>		<b>73,500</b>	<b>90,300</b>	<b>16,800</b>
Total Unitholders' Equity (Note 1)		85,065	85,791	726
Interest-Bearing Liabilities Ratio (%) (Note 2 & 3)		46.4%	51.3%	4.9%

Notes:

1. Figures less than million yen are rounded for the total unitholders' equity.
2. Interest-bearing liabilities ratio(%) = Interest-bearing liabilities÷(Interest-bearing liabilities+Unitholders' equity)x100
3. The interest-bearing liabilities ratio is rounded to the nearest first decimal point.

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