

April 6, 2007

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 (“NCRI”) today announces its decision to repay debt financing as follows.

1. Reason for Repayment of Debt Financing

In order to achieve an improved balance in interest-bearing payments and financial stability in accordance with the financial policy of NCRI, a portion of debt financing will be repaid early using funds procured through the issuance of investment corporation bonds that was determined on April 6, 2007 (hereafter, the “Investment Corporation Bonds”) as the source of the repayment.

2. Details of Debt Financing Repaid

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

1	Lender	:	Sumitomo Mitsui Banking Co.
2	Amount	:	¥6,400,000,000
3	Repayment Amount	:	¥4,300,390,000
4	Repayment Due	:	November 30, 2007
5	Repayment Date	:	April 17, 2007

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.

(2) Debt financing executed on December 13, 2006 pursuant to “Basic Collateral Free Loan Agreement” dated April 26, 2006

1	Lender	:	Aozora Bank, Ltd.
2	Amount	:	¥2,100,000,000
3	Repayment Amount	:	¥1,411,060,000
4	Repayment Due	:	December 13, 2007
5	Repayment Date	:	April 17, 2007

(3) Debt financing executed on December 22, 2006 pursuant to “Basic Collateral Free Loan Agreement” dated April 26, 2006

1	Lender	:	The Chuo Mitsui Trust and Banking Co., Ltd., Shinsei Bank, Ltd., The Bank of Fukuoka, Ltd., North Pacific Bank, Ltd., The Sumitomo Trust & Banking, Co., Ltd., Resona Bank, Ltd., Hyakugo Bank, Ltd., Mitsui Sumitomo Insurance Co., Ltd., The Yamaguchi Bank, Ltd., The Chiba Bank Ltd.,
2	Amount	:	¥16,800,000,000
3	Repayment Amount	:	¥11,288,550,000
4	Repayment Due	:	December 21, 2007
5	Repayment Date	:	April 17, 2007

- 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

(Millions of yen)

		Debt Financing Balance Prior to Issue of Investment Corporation Bonds and Repayment of Debt Financing	Debt Financing Balance After Issue of Investment Corporation Bonds and Repayment of Debt Financing	Change
Short-Term Debt	Basic Collateral Free Loan	25,300	8,300	(17,000)
Long-Term Debt	Term Loan (B)	12,200	12,200	—
	Term Loan (C)	21,100	21,100	—
	Basic Collateral Free Loan	24,100	24,100	—
Total Debt Financing Balance		82,700	65,700	(17,000)
Investment Corporation Bonds		14,000	31,000	+17,000
Total Interest-bearing liabilities		96,700	96,700	—
Unitholders' Capital (Note 1)		85,791	85,791	—
Interest-Bearing Liabilities Ratio (%) (Notes 2 &3)		53.0%	53.0%	—

Notes:

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

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