

June 15, 2007

For Immediate Release

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

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

Inquiries:
Kazuyuki Iwasaki
Director and Chief Financial Officer
TEL: +81-3-6229-3860

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, a portion of debt finance will be repaid early using sale proceeds from the transfer of assets scheduled for June 29, 2007^(Note).

(Note) For details of sale of investment assets, please refer to the press release issued on April 13, 2007, “Notice Concerning the Proposed Sale of Investment Asset.”

2. Details of Debt Financing Repaid

Debt financing executed on September 21, 2005 and December 1, 2005 pursuant to “Term Loan Agreement (Tranche C)” dated September 16, 2005 (and amendments thereto.)

| | | |
|--------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 Lender | : | The Chuo Mitsui Trust and Banking Co., Limited, Aozora Bank, Ltd., The Sumitomo Trust & Banking Co., Ltd., Resona Bank, Limited, Mitsubishi UFJ Trust and Banking Corp., Hyakugo Bank, Ltd. |
| 2 Amount (balance) | : | ¥21,100,000,000 |
| 3 Repayment Amount | : | ¥1,550,000,000 |
| 4 Repayment Due | : | September 21, 2008 |
| 5 Repayment Date | : | June 29, 2007 |

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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 | 8,300 | 8,300 | — |
| Long-Term Debt | Term Loan (B) | 12,200 | 12,200 | — |
| | Term Loan (C) | 21,100 | 19,550 | (1,550) |
| | Basic Collateral Free Loan | 24,100 | 24,100 | — |
| Total Debt Financing Balance | | 65,700 | 64,150 | (1,550) |
| Investment Corporation Bonds | | 31,000 | 31,000 | — |
| Total Interest-bearing liabilities | | 96,700 | 95,150 | (1,550) |
| Unitholders' Capital (Note 1) | | 85,791 | 85,791 | — |
| Interest-Bearing Liabilities Ratio (%) (Notes 2 & 3) | | 53.0% | 52.6% | (0.4%) |

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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