

October 16, 2007

For Immediate Release

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

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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, a portion of debt finance will be repaid early using sale proceeds from the transfer of assets scheduled for October 30, 2007^(Note).

(Note) For details of sale of investment assets, please refer to the press release issued on September 14, 2007, “Notice Concerning the Proposed Sale of Investment Asset.”

2. Details of Debt Financing Repaid

(1) Debt financing executed on December 17, 2004 pursuant to “Term Loan Agreement (Tranche B)” dated December 15, 2004 (and amendments thereto.)

1 Lender	:	The Chuo Mitsui Trust and Banking Co., Limited, The Sumitomo Trust & Banking Co., Ltd., Mizuho Trust & Banking, Co., Ltd., Mitsubishi UFJ Trust and Banking Corp.
2 Amount (balance)	:	¥12,200,000,000
3 Repayment Amount	:	¥906,000,000
4 Repayment Due	:	December 17, 2007
5 Repayment Date	:	October 30, 2007

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(2) 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)	:	¥19,550,000,000
3 Repayment Amount	:	¥1,555,000,000
4 Repayment Due	:	September 21, 2008
5 Repayment Date	:	October 30, 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.
- URL: <http://www.ncrinv.co.jp/eng/>

Attachment

(Millions of yen)

		Debt Financing Balance Prior to Repayment of Debt Financing	Debt Financing Balance After Repayment of Debt Financing	Change
Short-Term Debt	Basic Collateral Free Loan	17,500	17,500	—
Long-Term Debt	Term Loan (B)	12,200	11,294	(906)
	Term Loan (C)	19,550	17,995	(1,555)
	Basic Collateral Free Loan	24,100	24,100	—
Total Debt Financing Balance		73,350	70,889	(2,461)
Investment Corporation Bonds		31,000	31,000	—
Total Interest-bearing liabilities		104,350	101,889	(2,461)
Unitholders’ Capital (Note 1)		85,791	85,791	—
Interest-Bearing Liabilities Ratio (%) (Notes 2 &3)		54.9%	54.3%	(0.6%)

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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