

November 27, 2007

**For Immediate Release**

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

Asset Management Company:  
CBRE Residential Management K.K.  
Jun Arai, President

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

**Notice Concerning Debt Financing**

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

**1. Rationale**

NCRI has decided to undertake debt financing to repay loans.

**2. Details of debt financing**

<Debt Financing 1 >

- |                         |   |   |
|-------------------------|---|---|
| 1 Lender                | : | The Chuo Mitsui Trust and Banking Co. Ltd.  |
| 2 Amount                | : | ¥2.1 billion  |
| 3 Interest rate         | : | Interest rate applicable to debt financing will be announced as soon as it’s made.  |
| 4 Borrowing period      | : | 123 days  |
| 5 Drawdown date         | : | November 30, 2007   |
| 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 November 28, 2007 with the lenders in the above 1. |
| 7 Repayment date        | : | March 31, 2008  |
| 8 Repayment method      | : | Principal repayment in full on maturity   |
| 9 Collateral            | : | No collateral or guarantee (Note)   |

---

*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.*

<Debt Financing 2>

- 1 Lender : The Chuo Mitsui Trust and Banking Co. Ltd.
- 2 Amount : ¥0.7 billion
- 3 Interest rate : Interest rate applicable to debt financing will be announced as soon as it's made.
- 4 Borrowing period : 110 days
- 5 Drawdown date : December 13, 2007
- 6 Debt financing method : In regards to this Basic Agreement, NCRI will conclude monetary loan agreement on December 11, 2007 with the lenders in the above 1.
- 7 Repayment date : March 31, 2008
- 8 Repayment method : Principal repayment in full on maturity
- 9 Collateral : No collateral or guarantee (Note)

<Debt Financing 3>

- 1 Lender : The Chuo Mitsui Trust and Banking Co. Ltd.
- 2 Amount : ¥1.4 billion
- 3 Interest rate : Interest rate applicable to debt financing will be announced as soon as it's made.
- 4 Borrowing period : 102 days
- 5 Drawdown date : December 21, 2007
- 6 Debt financing method : In regards to this Basic Agreement, NCRI will conclude monetary loan agreement on December 19, 2007 with the lenders in the above 1.
- 7 Repayment date : March 31, 2008
- 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 repay loans in regards to this Basic Agreement which repayment date on November 30, 2007, December 13, 2007 and December 21, 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.
- URL: <http://www.ncrinv.co.jp/eng/>

---

*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.*

## Attachment

### Total Interest-bearing Liabilities

(Millions of yen)

		Debt Financing Balance Prior to Additional Debt Financing	Debt Financing Balance After Additional Debt Financing (Note 4)	Change
Short-Term Debt	Basic Collateral Free Loan	22,000	22,000	-
Long-Term Debt	Term Loan (B)	11,294	11,294	-
	Term Loan (C)	17,995	17,995	-
	Basic Collateral Free Loan	24,100	24,100	-
Total Debt Financing Balance		75,389	75,389	-
Corporate bonds		31,000	31,000	-
<b>Total Interest-bearing Liabilities</b>		<b>106,389</b>	<b>106,389</b>	-
Unitholders' Capital (Note 1)		85,791	85,791	-
Interest-Bearing Liabilities Ratio (%) (Note 2 &3)		55.4%	55.4%	-

Notes:

1. Figures less than million yen are rounded for the total unitholders' capital.
2. Interest-bearing liabilities ratio(%) = Interest-bearing liabilities÷(Interest-bearing liabilities+Unitholders' capital)×100
3. The interest-bearing liabilities ratio is rounded to the nearest first decimal point.
4. The debt financing balance after additional debt financing indicates the amount outstanding after repayment of debt financing to be scheduled on November 30, 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.*