

March 26, 2008

For Immediate Release

New City Residence Investment Corporation
1-10-6 Roppongi, Minato-ku, Tokyo
Jun Arai, Executive Director
(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 the Repayment of Debt Financing

New City Residence Investment Corporation (“NCRI”) today announced 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, debt financing will be repaid early using cash reserves as the source of the repayment.

2. Details of Debt Financing Repaid

Debt financing executed on January 30, 2008 pursuant to “Basic Collateral Free Loan Agreement” dated April 26, 2006 (including changes thereafter and adding the lender. hereafter same.) and “Basic Agreement and a Memorandum based on a Basic Collateral Free Loan Agreement (commitment line)” dated July 13, 2007

1 Lender	:	The Chuo Mitsui Trust and Banking Co., Limited, Aozora Bank, Ltd., The Sumitomo Trust & Banking Co., Ltd., Mitsubishi UFJ Trust and Banking Corp., Shinsei Bank, Limited., Resona Bank, Limited.
2 Amount	:	¥1,400,000,000
3 Repayment Amount	:	¥1,400,000,000
4 Repayment Due	:	April 24, 2008
5 Repayment Date	:	March 31, 2008

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.

- 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 Additional Debt Financing	Debt Financing Balance After Additional Debt Financing	Change
Short-Term Debt	Basic Collateral Free Loan	27,100	26,200	(900)
Long-Term Debt	Term Loan (Collateral)	17,995	17,995	—
	Basic Collateral Free Loan	35,100	35,100	—
Total Debt Financing Balance		80,195	79,295	(900)
Investment Corporation Bonds		31,000	31,000	—
Total Interest-bearing liabilities		111,195	110,295	(900)
Unitholders' Capital (Note 1)		85,791	85,791	—
Interest-Bearing Liabilities Ratio (%) (Notes 2 & 3)		56.4%	56.2%	(0.2%)

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.
4. The debt financing balance after additional debt financing indicates the amount outstanding after debt financing to be scheduled on March 31, 2008.

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.