

April 25, 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:
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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 May 13, 2008^(Note).

(Note) For details of sale of investment assets, please refer to the press release issued on April 22, 2008, “Notice Concerning the Proposed Sale of Investment Asset.”

2. Details of Debt Financing Repaid

- (1) 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., Ltd, Aozora Bank, Ltd. The Sumitomo Trust & Banking Co., Ltd., Resona Bank, Ltd. Mitsubishi UFJ Trust and Banking Corp. Hyakugo Bank, Ltd.
2 Amount (balance)	:	¥17,995,000,000
3 Repayment Amount	:	¥645,000,000
4 Repayment Due	:	September 21, 2008
5 Repayment Date	:	May 13, 2008

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- 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	26,200	26,200	—
Long-Term Debt	Term Loan (C)	17,995	17,350	(645)
	Basic Collateral Free Loan	36,800	36,800	—
Total Debt Financing Balance		80,995	80,350	(645)
Investment Corporation Bonds		31,000	31,000	—
Total Interest-bearing liabilities		111,995	111,350	(645)
Unitholders' Capital (Note 1)		85,791	85,791	—
Interest-Bearing Liabilities Ratio (%) (Notes 2 &3)		56.6%	56.5%	(0.1%)

Notes:

1. Prior third-party allocation. As for details, please refer to NCRI's press release, “Notice Concerning Third-Party Allocation of Investment Units” dated April 22, 2008.
2. Figures under million yen are rounded. Number of new investment units are excluded from Unitholders' Capital because of before date of payment (disclosed in the previous press release, the “Notice Concerning the Proposed Acquisition of Investment Asset,” dated April 22, 2008).
3. Interest-bearing liabilities ratio (%) = Interest-bearing liabilities ÷ (Interest-bearing liabilities + Unitholders' capital) x 100
4. The interest-bearing liabilities ratio is rounded to the nearest first decimal point.

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