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For Immediate Release



**NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION**

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Notification on Application for Approval of Changes to the Method of Business at the
Investment Trust Manager

Nippon Residential Investment Corporation (NRIC) announces the resolution made by its investment trust manager, Pacific Investment Advisors Corporation (hereafter, the “Asset Management Company”), to file an application today to the Financial Services Agency for approval of changes to its method of business pursuant to Article 10-2 of the Law concerning Investment Trusts and Investment Corporations as described below.

1. Details of Changes to Asset Management Company’s Document on Method of Business

(1) Article 2: Types of Assets Under Management

The change involves adding and organizing part of the types of assets managed by the Asset Management Company concerning real estate, etc. and mortgage-backed securities, which are investment targets of NRIC. The change also involves adding to the types of assets managed by the Asset Management Company monetary claims, movables, trademark rights and other assets that are likely to be acquired in association with real estate, etc. invested into by NRIC.

(2) Article 22: Accounting Procedures

The Commercial Code will be changed to the Company Law as laws and ordinances that the Asset Management Company shall comply with when conducting accounting procedures.

In addition to the above changes, the wording will also be altered slightly.

2. Reasons for Changes

To comprehensively organize matters concerning NRIC's primary investment assets, and in correlation add assets managed by the Asset Management Company, in response to amendments (enforced on October 1, 2004) being made to some regulations stipulated by the Tokyo Stock Exchange, Inc., including the "Special Treatment of Security Listing Regulations Concerning Real Estate Investment Trust Certificates," and revisions being made to rules concerning real estate investment corporations, etc. regulated by The Investment Trusts Association, Japan.

To also alter some of the wording and make other necessary changes in correlation with the enactment of the Company Law (effective May 1, 2006).

3. Scheduled Date of Submission of Application for Approval

August 28, 2006

- This document was distributed to the press clubs within the Tokyo Stock Exchange, Ministry of Land, Infrastructure and Transport and construction trade newspaper of the Ministry of Land, Infrastructure and Transport.
- Nippon Residential Investment Corporation's website is <http://www.nric.co.jp>

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