

August 29, 2006

For Immediate Release



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Notification of Loan

Nippon Residential Investment Corporation (NRIC) announces the borrowing of funds as detailed below.

1. Purpose of Loan

The funds will be allocated to the repayment of borrowings.

2. Details of Loan

(1) Short-Term Loan

- | | |
|---------------------------------|---|
| (i) Lender: | SUMITOMO MITSUI BANKING CORPORATION |
| (ii) Loan amount: | 4,000 million yen |
| (iii) Interest rate: | TBD |
| (iv) Drawdown date: | September 1, 2006 |
| (v) Loan method: | NRIC concluded a loan agreement on August 29, 2006 with the lender described in (i) above. |
| (vi) Interest payment dates: | Payments shall be made on the last day of November 2006, and on the principal repayment date (the banking day immediately preceding the concerned date when the concerned date is not a banking day). |
| (vii) Principal repayment date: | December 29, 2006 (the banking day immediately preceding the concerned date when the concerned date is not a banking day) |

(viii) Principal repayment method: Lump-sum repayment on the principal repayment date described in (vii) above.
However, early repayment is accepted.

(ix) Collateral: Unsecured and non-guaranteed

Furthermore, the interest rate shall be announced at a later date, as soon as it is finalized.

- 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>

[Reference]

Interest-Bearing Debt of NRIC After Drawdown of Loans

| | Before Drawdown | After Drawdown | Increase (Decrease) |
|------------------------------|--------------------|-------------------|------------------------|
| (Unit: million yen) | | | |
| Short-term loans | 14,750 | 14,750 | — |
| Long-term loans | 33,300 | 33,300 | — |
| Investment corporation bonds | 45,000 | 45,000 | — |
| Total interest-bearing debt | 93,050 | 93,050 | — |
| (Unit: %) | | | |
| Interest-bearing debt ratio | 46.8 | 46.8 | — |

Note 1) Interest-bearing debt ratio = Total interest-bearing debt ÷ (Total interest-bearing debt + unitholders' capital) × 100%

The interest-bearing debt ratio is rounded to one decimal place.

Note 2) Short-term loans are loans where the period from the borrowing date until the repayment date (loan period) is one year or less. Long-term loans are loans with loan periods that exceed one year.

Note 3) Calculations use 105,593 million yen for unitholders' capital, which is the unitholders' capital as of August 29 2006.

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