

October 27, 2006

For Immediate Release



**NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION**

Nippon Residential Investment Corporation
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Notification of Loan Repayment

Nippon Residential Investment Corporation (NRIC) announces the decision made today regarding the early repayment of the following loans.

Details of Repayment

(1) Short-Term Loan (borrowed on August 11, 2006)

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|--------------------------------|--|
| (i) Lenders: | Mitsubishi UFJ Trust and Banking Corporation
The Sumitomo Trust & Banking Co., Ltd.
Mizuho Corporate Bank, Ltd.
Aozora Bank, Ltd. |
| (ii) Loan amount: | 6,000 million yen |
| (iii) Repay amount: | 6,000 million yen |
| (iv) Interest rate: | 0.89000% p.a. |
| (v) Drawdown date: | August 11, 2006 |
| (vi) Principal repayment date: | December 29, 2006 |
| (vii) Repayment date: | November 2, 2006 (planned) |
| (viii) Collateral: | Unsecured |

(2) Short-Term Loan (borrowed on September 1, 2006)

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|--------------------------------|--|
| (i) Lenders: | The Chiba Bank, Ltd., The Fukuoka Bank, Ltd. |
| (ii) Loan amount: | 3,250 million yen |
| (iii) Repaid amount: | 3,250 million yen |
| (iv) Interest rate: | 0.88818% p.a. |
| (v) Drawdown date: | September 1, 2006 |
| (vi) Principal repayment date: | December 29, 2006 |
| (vii) Repayment date: | November 2, 2006 (planned) |
| (viii) Collateral: | Unsecured |

(3) Short-Term Loan (borrowed on September 1, 2006)

- | | |
|--------------------------------|-------------------------------------|
| (i) Lender: | Sumitomo Mitsui Banking Corporation |
| (ii) Loan amount: | 4,000 million yen |
| (iii) Repaid amount: | 4,000 million yen |
| (iv) Interest rate: | 0.89000% p.a. |
| (v) Drawdown date: | September 1, 2006 |
| (vi) Principal repayment date: | December 29, 2006 |
| (vii) Repayment date: | November 2, 2006 (planned) |
| (viii) Collateral: | Unsecured |

Furthermore, the early repayment charges shall be announced at a later date, as soon as they are 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]

Outstanding Loans of NRIC After Repayment

	Before Repayment	After Repayment	Increase (Decrease)
(Unit: million yen)			
Short-term loans	16,450	3,200	(13,250)
Long-term loans	33,300	33,300	—
Investment corporation bonds	57,000	57,000	—
Total interest-bearing debt	106,750	93,500	(13,250)
(Unit: %)			
Interest-bearing debt ratio	50.3	47.0	(3.3)

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 October 27, 2006.

This English language notice is a translation of the Japanese language notice dated October 27, 2006 and was prepared solely for the convenience of, and reference by, overseas investors. NRIC makes no warranties as to its accuracy or completeness.