

January 23, 2007

For Immediate Release



**NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION**

Nippon Residential Investment Corporation
2-11-1 Nagata-cho, Chiyoda-ku, Tokyo
Masaru Nishimura
Chief Executive Officer
(Securities Code: 8962)

Investment Trust Management Company:
Pacific Investment Advisors Corporation
2-11-1 Nagata-cho, Chiyoda-ku, Tokyo
Representative:
Akira Yamanouchi
President and Chairman of the Board
Inquiries:
Takeshi Takano
Director
(Phone: +81-(0)3-5251-8528)

Notification on Transactions with Interested Parties

Nippon Residential Investment Corporation (NRIC) has found that a business partner of NRIC, Touchstone Residential Management Co., Ltd. (TRM), constitutes an interested party (as defined under the Law concerning Investment Trusts and Investment Corporations; the same hereafter) of the investment trust management company that manages NRIC's assets, Pacific Investment Advisors Corporation (PIA), and accordingly announces as follows.

1. Background

Pacific Management Corporation (PMC), which holds more than 50% of the voting rights of all shareholders of PIA, held 33.3% of TRM's shares in the period between February 20, 2006 and December 25, 2006, making TRM an interested party of NRIC during the concerned period.

2. Details of Transactions with NRIC

NRIC has signed into master lease agreements as well as leasing and building management entrustment agreements with TRM for some of the properties owned by NRIC. The subject properties and agreement period are as follows. The required procedures, as pursuant to the Law concerning Investment Trusts and Investment Corporations and related laws and ordinances as well as internal rules, have been performed in executing the concerned agreements.

Property Name	Agreement Period
S-2 Pacific Livew Shiba Daimon	December 1, 2006 – End of November 2007
S-14 Pacific Livew Shirokanedai	September 1, 2006 – End of August 2007
S-30 Pacific Residence Akasaka II	May 1, 2006 – End of April 2007
S-38 Pacific Livew Wasedanishi	September 1, 2006 – End of August 2007
S-57 Pacific Residence Toranomon	November 17, 2006 – End of November 2007
S-58 Pacific Residence Kamata I	September 29, 2006 – End of September 2007
C-11 Pacific Livew Nagatacho	September 1, 2006 – End of August 2007
C-12 Pacific Residence Suidobashi	September 1, 2006 – End of August 2007
C-13 Pacific Tower Nogizaka	September 1, 2006 – End of August 2007
C-14 Pacific Residence Akasaka I	May 1, 2006 – End of April 2007
C-21 Pacific Residence Kichijoji	May 1, 2006 – End of April 2007
C-22 Pacific Residence Bunkyoengoku	September 1, 2006 – End of August 2007
C-24 Pacific Residence Takanawa	September 1, 2006 – End of August 2007
C-27 Pacific Livew Chojamaru	October 1, 2006 – End of September 2007
C-34 Pacific Residence Higashiazabu	May 26, 2006 – End of March 2007
L-9 Pacific Residence Kamimeguro	October 1, 2006 – End of September 2007
L-13 Pacific Residence Ohi	October 1, 2006 – End of September 2007

3. TRM Profile

Company Name	Touchstone Residential Management Co., Ltd.
Head Office Address	2-4-3 Nagata-cho, Chiyoda-ku, Tokyo
Date of Establishment	February 21, 2006
Representative	Masahiko Saito, Representative Director
Paid-in Capital	30 million yen
Major Shareholders and Shareholdings (as of January 23, 2007)	Touchstone Capital Securities Co., Ltd. 100% (Note) PMC has transferred all the shares it holds as of December 25, 2006.
Line of Business	<ol style="list-style-type: none"> 1. Selling, purchasing and renting real estate and related brokering and mediation 2. Contracting repairs, renovations, etc. of structures and its accessory facilities 3. Contracting cleaning, maintenance, management, surveillance, etc. of structures and its accessory facilities 4. Contracting management and related duties of vehicle parking lots 5. Leasing, renting, maintaining and managing movable property (excludes consumables) 6. Planning, developing, selling, leasing, maintaining, managing and operating computer software concerning real estate and online information provision and trading systems for real estate, etc.

- 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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