



NEWS RELEASE

No.2007-C-092

Feb 2, 2007

R&I Assigns A+: Nippon Residential Investment SB No.7

Rating and Investment Information, Inc. (R&I), has assigned the following rating.

ISSUER: Nippon Residential Investment Corp. (Sec. Code: 8962)
Long-term Debt
New Issue (issued under the Shelf Registration scheme)

R&I RATING: A+

RATIONALE:

Nippon Residential Investment Corp. (NRI) is a real estate investment trust (J-REIT) listed on the Tokyo Stock Exchange in March 2004. NRI is the largest trust in terms of assets size that specializes in investment in residential properties. The main sponsor is major real estate fund manager Pacific Management Corporation.

The portfolio of NRI is composed of comparatively new, good quality residential buildings predominantly in the heart of metropolitan Tokyo. The fund is well diversified in terms of its properties and the composition of tenants. NRI has a high-standard expertise in the acquisition of properties and their management. It also maintains relatively conservative financial strategies.

R&I RATINGS:

ISSUER: Nippon Residential Investment Corp. (Sec. Code: 8962)
Long-term Issue Rating
New Issue (issued under the Shelf Registration scheme)

LONG-TERM ISSUE RATING:	Issue Date	Redemption	Issue Amount (mn)
Unsec. Str. Bonds No. 7	Feb 09, 2007	Feb 09, 2012	Yen 12,000

Notes/Financial covenants:

1) negative pledge clause, which covers other domestic bonds the firm issued or may issue in the future, except unsecured domestic bonds with a change of security status clause

R&I RATING: A+
ISSUER RATING: A+
RATING OUTLOOK: Stable

Issuer Rating is R&I's opinion regarding an issuer's overall capacity to repay its entire financial obligation, and it will be assigned to all issuers. The rating of individual obligations (i.e. bonds and loans etc.) includes the prospect of recovery and reflects the terms and conditions of the agreement and it may be lower or higher than the Issuer Rating.

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Ratings are statements of R&I's opinion shown in certain symbols regarding an Issuer's general capacity (credit quality) to repay its financial obligation and individual debts (bonds and loans, etc.) and it is not a statement of recommendations to buy, hold, or sell any securities. Information has been obtained by R&I from sources believed to be reliable, however, its accuracy, adequacy, or completeness is not guaranteed. Therefore, R&I is not responsible for any errors or omissions or the result obtained from the use of the rating. As a general rule, R&I provides the rating services for a rating fee paid by the Issuer.

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