

July 19, 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  
Akira Yamanouchi  
President and Chairman of the Board

Inquiries:  
Takeshi Takano  
Director  
Phone: +81-(0)3-5251-8528

Notification on Additional Issuance of  
New Investment Units Through Third-Party Allotment

Nippon Residential Investment Corporation (NRIC) announces the following in relation to the issuance of investment units through a third-party allotment that NRIC resolved at the meetings of its Board of Directors held on May 31, 2007 and June 13, 2007 in conjunction with the decision to issue new investment units through a public offering (primary offering) and secondary offering of the investment units (secondary offering via over-allotment). The third party (allottee) to which NRIC had granted the option (greenshoe option) to purchase the investment units NRIC will additionally issue through a third-party allotment has informed NRIC that it will exercise its option for some of those investment units.

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|---|---|
| (1) Total number of units to be issued: | 344 units (planned number: 1,482 units) |
| (2) Issue price:                        | 709,677 yen per unit                    |
| (3) Total issue amount:                 | 244,128,888 yen                         |
| (4) Application deadline:               | July 19, 2007 (Thursday)                |
| (5) Payment date:                       | July 20, 2007 (Friday)                  |
| (6) Allottee:                           | Daiwa Securities SMBC Co. Ltd.          |

Note: This document is a press release to publicly announce information on Nippon Residential Investment Corporation's additional issuance of new investment units through a third-party allotment, and has not been prepared as an inducement or invitation for investment or the like, whatsoever.

<Reference>

1. Please refer to “Notification of Board of Directors’ Decision on Issuance of New Investment Units Through Public Offering and Third-Party Allotment, and Secondary Offering of Investment Units” dated May 31, 2007 and “Notification of Pricing for Issuance of New Investment Units and Secondary Offering of Investment Units” dated June 13, 2007 for details on the abovementioned issuance of new investment units through a third-party allotment.
2. Changes in Total Number of Investment Units Outstanding After Concerned Third-Party Allotment  
Total number of investment units presently outstanding: 246,809 units  
Increase in investment units: 344 units  
Number of investment units outstanding after third-party allotment: 247,153 units
3. Use of Funds Procured Through Third-Party Allotment  
The proceeds of 244,128,888 yen resulting from the abovementioned third-party allotment shall be allocated to the repayment of short-term loans, etc.

Further, the management performance outlook for NRIC for the fiscal period ending in November 2007 (June 1, 2007 – November 30, 2007) announced in “Notification of Management Performance Forecasts for Fiscal Period Ending in November 2007” and the Semiannual Report dated July 19, 2007 does not change as a result of the abovementioned exercising of the greenshoe option.

- 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>

*This English language notice is a translation of the Japanese language notice dated July 19, 2007 and was prepared solely for the convenience of, and reference by, overseas investors. NRIC makes no warranties as to its accuracy or completeness.*

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