

August 27, 2007

For Immediate Release



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 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 purchase of real estate (Pacific Residence Yutenji and Pacific Residence Funabashi I and II) and payment of the associated costs.

2. Details of Loan

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| (1) Lender: | Mizuho Corporate Bank, Ltd.
Sumitomo Mitsui Banking Corporation
Shinkin Central Bank |
| (2) Loan amount: | 5,400 million yen |
| (3) Interest rate: | TBD |
| (4) Drawdown date: | August 29, 2007 |
| (5) Loan method: | NRIC concluded a loan agreement on August 27, 2007 with the lender described in (1) above. |
| (6) Interest payment dates: | Payments shall be made on the last day of November 2007, on the last day of February |

2008, on the last day of May 2008, and on the principal repayment date (the banking day following the concerned date when the concerned date is not a banking day unless the following banking day falls in the next month, in which case it shall be the banking day immediately preceding the concerned date)

(7) Principal repayment date: August 29, 2008 (the banking day following the concerned date when the concerned date is not a banking day unless the following banking day falls in the next month, in which case it shall be the banking day immediately preceding the concerned date)

(8) Principal repayment method: Lump-sum repayment on the principal repayment date described in (7) above. However, early repayment is accepted.

(9) 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 Loan

	Before Drawdown	After Drawdown	Increase (Decrease)
Short-term loans	8,850	18,660	9,810
Long-term loans	44,500	44,500	—
Investment corporation bonds	69,000	69,000	—
Total interest-bearing debt	122,350	132,160	9,810

(Unit: million yen)

Interest-bearing debt ratio	45.2	47.1	1.9
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(Unit: %)

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 148,417 million yen for unitholders' capital, which is the unitholders' capital as of August 27, 2007.

Note 4) Loan amount after drawdown includes 4,410 million yen of short-term loan to be executed on August 29, 2007. Please refer to "Notification of Loan" dated August 22, 2007 for details of the concerned loan.

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