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For Immediate Release



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Notification of Loans

Nippon Residential Investment Corporation (NRIC) announces the decision made today to borrow funds as detailed below.

1. Purpose of Loans

The funds will be allocated to the purchase of beneficiary interests in trust for real estate (Park Tower Shibaura Bayward Urban Wing) and payment of the associated costs.

2. Details of Loans

The loans (2) and (3) below are syndicated loans with Sumitomo Mitsui Banking Corporation as the arranger. Through the forming of a syndicate, Sumitomo Mitsui Banking Corporation is scheduled to assign loan obligations to several financial institutions.

Furthermore, NRIC shall release an announcement promptly when the decision is made to approve the concerned assignment of loan obligations.

(1) Long-Term Loan

- (i) Lenders: The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Mitsubishi UFJ Trust and Banking Corporation
The Sumitomo Trust & Banking Co., Ltd.
The Chuo Mitsui Trust and Banking Co., Ltd.
- (ii) Loan amount: 6,900 million yen
- (iii) Interest rate: TBD
- (iv) Drawdown date: February 29, 2008
- (v) Loan method: NRIC concluded a loan agreement on February 27, 2008 with the lenders described in (i) above.
- (vi) Interest payment dates: The first payment shall be made on May 30, 2008, and the ensuing payments on the last day of each of February, May, August and November of every year thereafter as well as the date of discharge of principal (the next banking day when the concerned date is not a banking day, unless said next banking day falls in the next month in which case the banking day immediately preceding the concerned date shall be the interest payment date).
- (vii) Principal repayment date: May 31, 2010
(the next banking day when the concerned date is not a banking day, unless said next banking day falls in the next month in which case the banking day immediately preceding the concerned date shall be the date of discharge of principal)
- (viii) Principal repayment method: Lump-sum repayment on the principal repayment date described in (vii) above.
However, early repayment is accepted.
- (ix) Collateral: Unsecured and non-guaranteed

(2) Short-Term Loan

- (i) Lender: Sumitomo Mitsui Banking Corporation
- (ii) Loan amount: 3,000 million yen
- (iii) Interest rate: TBD
- (iv) Drawdown date: February 29, 2008
- (v) Loan method: NRIC concluded a loan agreement on February 27, 2008 with the lender described in (i) above.
- (vi) Interest payment dates: The first payment shall be made on May 30, 2008, and the ensuing payments on the last day of each of August and November thereafter as well as the date of discharge of principal (the next banking day when the concerned date is not a banking day, unless said next banking day falls in the next month in which case the banking day immediately preceding the concerned date shall be the interest payment date).
- (vii) Principal repayment date: February 27, 2009
(the next banking day when the concerned date is not a banking day, unless said next banking day falls in the next month in which case the banking day immediately preceding the concerned date shall be the date of discharge of principal)
- (viii) Principal repayment method: Lump-sum repayment on the principal repayment date described in (vii) above. However, early repayment is accepted.
- (ix) Collateral: Unsecured and non-guaranteed

(3) Long-Term Loan

- (i) Lender: Sumitomo Mitsui Banking Corporation
- (ii) Loan amount: 2,000 million yen
- (iii) Interest rate: TBD
- (iv) Drawdown date: February 29, 2008

- (v) Loan method: NRIC concluded a loan agreement on February 27, 2008 with the lender described in (i) above.
- (vi) Interest payment dates: The first payment shall be made on May 30, 2008, and the ensuing payments on the last day of each of February, May, August and November of every year thereafter as well as the date of discharge of principal (the next banking day when the concerned date is not a banking day, unless said next banking day falls in the next month in which case the banking day immediately preceding the concerned date shall be the interest payment date).
- (vii) Principal repayment date: May 31, 2010
(the next banking day when the concerned date is not a banking day, unless said next banking day falls in the next month in which case the banking day immediately preceding the concerned date shall be the date of discharge of principal)
- (viii) Principal repayment method: Lump-sum repayment on the principal repayment date described in (vii) above.
However, early repayment is accepted.
- (ix) Collateral: Unsecured and non-guaranteed

Furthermore, the interest rates 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, Transport and Tourism and construction trade newspaper of the Ministry of Land, Infrastructure, Transport and Tourism.
- Nippon Residential Investment Corporation's website is <http://www.nric.co.jp>

[Reference]

Interest-Bearing Debt of NRIC After Drawdown of Loans

	Before Drawdown	After Drawdown	Increase (Decrease)
(Unit: million yen)			
Short-term loans	22,600	25,600	3,000
Long-term loans	50,400	59,300	8,900
Investment corporation bonds	90,000	90,000	–
Total interest-bearing debt	163,000	174,900	11,900
(Unit: %)			
Interest-bearing debt ratio	52.3	54.1	1.8

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 February 27, 2008.

This English language notice is a translation of the Japanese language notice dated February 27, 2008 and was prepared solely for the convenience of, and reference by, overseas investors. NRIC makes no warranties as to its accuracy or completeness.