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For Immediate Release



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Notification of Loan

Nippon Residential Investment Corporation (NRI) announces its decision to borrow funds as detailed below.

1. Purpose of Loan

The funds will be allocated to the purchase of real estate beneficiary interests in trust (Root Azabu Jyuban, Maison Yachiyodai and Abreast Kasai) and real estate (Melody Heim Shin-Osaka, Melody Heim Matsubara, Pacific Residence Uzumasa and Cosmo Nishi-Funabashi II), and payment of the associated costs.

2. Details of Loan

(1) Short-term loan

- | | |
|-----------------------------|--|
| (i) Lender | Sumitomo Mitsui Banking Corporation |
| (ii) Loan amount | 5,000 million yen |
| (iii) Interest rate | To be determined |
| (iv) Drawdown date | November 11, 2005 |
| (v) Loan method | NRI concluded a loan agreement on November 9, 2005 with the lender described in (i) above. |
| (vi) Interest payment dates | |

The first payment shall be made on November 30, 2005 and the ensuing payments on the last day of

each third month thereafter (the banking day immediately preceding the last day of the month when the last day of the month is not a banking day). However, the final interest payment date shall be June 30, 2006.

(vii) Principal repayment date

June 30, 2006

(viii) Principal repayment method

Lump-sum repayment on the principal repayment date described in (vii) above. However, early repayment is allowed.

(ix) Collateral

Unsecured and non-guaranteed

(2) Short-term loan

(i) Lender

Mizuho Corporate Bank, Ltd.

(ii) Loan amount

2,000 million yen

(iii) Interest rate

To be determined

(iv) Drawdown date

November 11, 2005

(v) Loan method

NRI concluded a loan agreement on November 9, 2005 with the lender described in (i) above.

(vi) Interest payment dates

The first payment shall be made on November 30, 2005 and the ensuing payments on the last day of each third month thereafter (the banking day immediately preceding the last day of the month when the last day of the month is not a banking day). However, the final interest payment date shall be November 11, 2006.

(vii) Principal repayment date

November 11, 2006

(viii) Principal repayment method

Lump-sum repayment on the principal repayment date described in (vii) above. However, early repayment is allowed.

(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 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]

Outstanding Loans of NRI After Drawdown of Loans

	Before Borrowing	After Borrowing	Increase (Decrease)
(Unit: million yen)			
Short-term loans	14,430	21,430	7,000
Long-term loans	33,000	33,000	–
Investment corporation bonds	30,000	30,000	–
Total interest-bearing debt	77,430	84,430	7,000
(Unit: %)			
Interest-bearing debt ratio	48.3	50.4	2.1

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) Calculations use 82,936 million yen for unitholders' capital, which is the unitholders' capital as of November 9, 2005.