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For Immediate Release



Nippon Residential Investment
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Notification of Loan Repayment

Nippon Residential Investment Corporation (NRI) announces the repayment of the following loan.

1. Purpose of Loan Repayment

Early repayment of loans amounting to 21,709 million yen is being made with funds procured by issuing new investment units through a public offering as the underlying funds to maintain a conservative debt ratio based on NRI's financial policy.

(Note) For an overview of the issuance of new investment units, please refer to "Notification on Board of Directors' Resolution Concerning Issuing and Pricing of New Investment Units Through Public Offering" dated May 19, 2005 and "Notification on Issuing and Pricing of New Investment Units" dated June 6, 2005

2. Details of Repayment

(1) Individual Commitment Line Agreement (concluded March 28, 2005)

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|----------------------|------------------------------------|
| (i) Lender: | The Bank of Tokyo-Mitsubishi, Ltd. |
| (ii) Loan amount: | 1,100 million yen |
| (iii) Interest rate: | 1.05653% p.a. |

- (iv) Drawdown date: March 30, 2005
 - (v) Principal repayment date: March 30, 2006
 - (vi) Collateral: Secured
- (2) Individual Commitment Line Agreement (concluded April 22, 2005)
- (i) Lender: The Mitsubishi Trust and Banking Corporation
 - (ii) Loan amount: 3,100 million yen
 - (iii) Interest rate: 1.05653% p.a.
 - (iv) Drawdown date: April 26, 2005
 - (v) Principal repayment date: September 30, 2005
 - (vi) Collateral: Secured
- (3) Individual Commitment Line Agreement (A) (concluded January 27, 2005)
- (i) Lenders: The Chuo Mitsui Trust and Banking Co., Ltd. and
UFJ Bank Ltd.
 - (ii) Loan amount: 5,250 million yen
 - (iii) Interest rate: 1.05653% p.a.
 - (iv) Drawdown date: January 31, 2005
 - (v) Principal repayment date: January 31, 2006
 - (vi) Collateral: Secured
- (4) Individual Commitment Line Agreement (A) (concluded March 11, 2005)
- (i) Lender: The Chuo Mitsui Trust and Banking Co., Ltd.
 - (ii) Loan amount: 1,567 million yen
 - (iii) Interest rate: 1.05653% p.a.
 - (iv) Drawdown date: March 15, 2005
 - (v) Principal repayment date: March 15, 2006
 - (vi) Collateral: Secured
- (5) Individual Commitment Line Agreement (A) (concluded March 29, 2005)
- (i) Lenders: The Chuo Mitsui Trust and Banking Co., Ltd.
 - (ii) Loan amount: 1,400 million yen
 - (iii) Interest rate: 1.05653% p.a.
 - (iv) Drawdown date: March 31, 2005
 - (v) Principal repayment date: March 31, 2006
 - (vi) Collateral: Secured

(6) Individual Commitment Line Agreement (A) (concluded May 18, 2005)

- (i) Lender: The Bank of Tokyo-Mitsubishi, Ltd.
- (ii) Loan amount: 1,400 million yen
- (iii) Interest rate: 1.05653% p.a.
- (iv) Drawdown date: May 20, 2005
- (v) Principal repayment date: June 30, 2005
- (vi) Collateral: Secured

(7) Individual Commitment Line Agreement (B) (concluded March 23, 2005)

- (i) Lenders: UFJ Bank Ltd., Aozora Bank, Ltd. and The Norinchukin Bank
- (ii) Loan amount: 7,892 million yen
- (iii) Interest rate: 1.05653% p.a.
- (iv) Drawdown date: March 25, 2005
- (v) Principal repayment date: March 24, 2006
- (vi) Collateral: Secured

- 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 Repayment

	Before Repayment	After Repayment	Increase (Decrease)
(Unit: million yen)			
Short-term loans	33,219	11,510	(21,709)
Long-term loans	42,300	42,300	—
Total loans	75,519	53,810	(21,709)
(Unit: %)			
Interest-bearing debt ratio	47.9	39.6	(8.3)

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 82,034 million yen for unitholders' capital, which is the unitholders' capital as of June 22, 2005.