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For Immediate Release



**NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION**

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Notification on Transfer of Assets and Change to Transferee of Assets

Nippon Residential Investment Corporation (NRI) announces the decision to transfer assets as detailed below (hereafter, the “Transfer”). NRI additionally notifies of the change to the transferee of assets announced in “Notification on Transfer of City Forum Kami-Hongo and Wakohre Higashi-Nippori II” issued on September 1, 2005.

I. Transfer of Assets

1. Overview of Transfer

(A) Veil Kikuicho

(1)	Asset	Beneficiary interests in trust (real estate)
(2)	Name of Asset	Veil Kikuicho
(3)	Acquisition Date of Asset	March 2, 2004
(4)	Transfer Value	636,000,000 yen (excluding adjusted amount of real property tax and city planning tax, as well as consumption tax and local consumption tax)
(5)	Book Value	536,740,154 yen (as of May 31, 2005)
(6)	Difference between Transfer Value and Book Value	99,259,846 yen (difference between (4) and (5) above)
(7)	Contract Date	November 9, 2005
(8)	Scheduled Delivery Date	Between December 1, 2005 and the end of

		December 2005 on a date separately agreed by NRI and the transferee
(9)	Transferee	SBIP Hybrid Y.K. (refer to 4. below)
(10)	Transfer Method	Transfer of beneficiary interests in trust (real estate) to the abovementioned transferee

(B) Bonne Uji I and II

(1)	Asset	Beneficiary interests in trust (real estate)
(2)	Name of Asset	Bonne Uji I and II
(3)	Acquisition Date of Asset	March 3, 2004
(4)	Transfer Value	1,502,000,000 yen (excluding adjusted amount of real property tax and city planning tax, as well as consumption tax and local consumption tax)
(5)	Book Value	1,299,427,692 yen (as of May 31, 2005)
(6)	Difference between Transfer Value and Book Value	202,572,308 yen (difference between (4) and (5) above)
(7)	Contract Date	November 9, 2005
(8)	Scheduled Delivery Date	Between December 1, 2005 and the end of December 2005 on a date separately agreed by NRI and the transferee
(9)	Transferee	SBIP Hybrid Y.K. (refer to 4. below)
(10)	Transfer Method	Transfer of beneficiary interests in trust (real estate) to the abovementioned transferee

(C) Crane Mansion Tsurumi

(1)	Asset	Beneficiary interests in trust (real estate)
(2)	Name of Asset	Crane Mansion Tsurumi
(3)	Acquisition Date of Asset	March 3, 2004
(4)	Transfer Value	1,308,000,000 yen (excluding adjusted amount of real property tax and city planning tax, as well as consumption tax and local consumption tax)

(5)	Book Value	1,095,496,757 yen (as of May 31, 2005)
(6)	Difference between Transfer Value and Book Value	212,503,243 yen (difference between (4) and (5) above)
(7)	Contract Date	November 9, 2005
(8)	Scheduled Delivery Date	Between December 1, 2005 and the end of December 2005 on a date separately agreed by NRI and the transferee
(9)	Transferee	SBIP Hybrid Y.K. (refer to 4. below)
(10)	Transfer Method	Transfer of beneficiary interests in trust (real estate) to the abovementioned transferee

2. Purpose of Transfer

(1) To maintain and enhance the revenue-generating potential of the portfolio

In order to enhance the balance of the revenue stream and revenue-generating potential of the portfolio, NRI manages assets by categorizing managed assets into core assets and sub-core assets based on the characteristics of the managed assets and objectives of owning them. Specifically, stability and growth are secured by establishing core assets as the central assets in the portfolio and utilizing the high competitiveness of these assets. NRI also seeks to seize revenue-generating opportunities and optimization of the revenue stream balance of the portfolio by flexibly and expeditiously incorporating sub-core assets. In addition, NRI will maintain and enhance the revenue-generating potential of the portfolio by flexibly rearranging assets to respond to changes in the management environment and future revenue-earning capacity of properties centered on sub-core assets.

(2) Transfer decision

NRI deemed that the transfer timing, transfer amount, etc. were appropriate based on the asset management objectives and policy as designated in NRI's Articles of Incorporation and as a result of a comprehensive review. The review took into account revenue projections, variations in and projections for asset values, trends in the real-estate market and other factors, and also considered NRI's portfolio composition and policy for constructing the portfolio. Thus, NRI decided to execute the Transfer in an aim to enhance the portfolio and promote management efficiency of the portfolio over the medium- and long-term.

3. Description of Asset to be Transferred

(A) Veil Kikuicho

Name of Asset	Veil Kikuicho	
Type of Specified Asset	Beneficiary interests in trust (real estate)	
Trustee	The Chuo Mitsui Trust and Banking Co., Ltd.	
Location	35 Kikui-cho, Shinjuku-ku, Tokyo	
Land	Ownership	Proprietary ownership (Note 1)
	Zoning	Class 1 exclusive residential zone for medium- and high-rise buildings
	Lot size	570.26m ² (Note 2)
	FAR/Building coverage ratio	300%/60%
Building	Ownership	Proprietary ownership
	Type	Apartment
	Floor space	1,099.35m ²
	Construction completed	March 1998
	Structure	Reinforced concrete structure with flat roof; 4 floors above ground
	Leasable units	41 units in total (1R: 41 units) (Note 3)
Acquisition Date	March 2, 2004	
Acquisition Price	520 million yen	
Appraised Value at Time of Acquisition	530 million yen	(Appraised date: November 1, 2003)
Estimated Value at End of Interim Settlement Period	541 million yen	(Time of reference for the survey: May 31, 2005)

(Note 1) However, of the private road portion (lot number 34-4), 28,071 out of 112,433 is under co-ownership.

(Note 2) However, this also includes the lot size equivalent to the private road portion under co-ownership.

(Note 3) The following abbreviation has been used for leasable units.

1R: Single room with kitchen in the same room

(B) Bonne Uji I and II

Name of Asset	Bonne Uji I and II	
Type of Specified Asset	Beneficiary interests in trust (real estate)	
Trustee	The Chuo Mitsui Trust and Banking Co., Ltd.	

Location	84-1, 84-10, 84-15 and 86-2 Habyoshi-cho, Uji-shi, Kyoto (building location as indicated on the registry)	
Land	Ownership	Proprietary ownership
	Zoning	Quasi residential, class 1 residential and neighborhood commercial
	Lot size	2,864.71m ²
	FAR/Building coverage ratio	200%/60% and 200%/80%
Building	Ownership	Proprietary ownership
	Type	Apartment and store
	Floor space	5,261.75m ²
	Construction completed	March 1987
	Structure	Reinforced concrete structure with flat roof; 7 floors above ground
	Leasable units	208 units in total (Bonne Uji I – 1R: 129 units; Bonne Uji II – 1R: 73 units and store: 6 units) (Note 1)
Acquisition Date	March 3, 2004	
Acquisition Price	1,260 million yen	
Appraised Value at Time of Acquisition	1,260 million yen	(Appraised date: November 1, 2003)
Estimated Value at End of Interim Settlement Period	1,150 million yen	(Time of reference for the survey: May 31, 2005)

(Note 1) The following abbreviation has been used for leasable units.

1R: Single room with kitchen in the same room

(C) Crane Mansion Tsurumi

Name of Asset	Crane Mansion Tsurumi	
Type of Specified Asset	Beneficiary interests in trust (real estate)	
Trustee	The Chuo Mitsui Trust and Banking Co., Ltd.	
Location	1-10 Mukai-cho, Tsurumi-ku, Yokohama-shi, Kanagawa	
Land	Ownership	Proprietary ownership
	Zoning	Quasi industrial
	Lot size	2,003.62m ²

	FAR/Building coverage ratio	200%/60%
Building	Ownership	Proprietary ownership
	Type	Apartment and store
	Floor space	3,573.86m ²
	Construction completed	February 1990
	Structure	Reinforced concrete structure with flat roof; 7 floors above ground
	Leasable units	59 units in total (2LDK: 29 units; 3LDK: 28 units; and store: 2 units) (Note 1)
Acquisition Date	March 3, 2004	
Acquisition Price	1,050 million yen	
Appraised Value at Time of Acquisition	1,050 million yen	(Appraised date: October 1, 2003)
Estimated Value at End of Interim Settlement Period	1,040 million yen	(Time of reference for the survey: May 31, 2005)

(Note 1) The following abbreviation has been used for leasable units.

2 (or 3) LDK: 2 (or 3) bedrooms + Living room, dining room and kitchen

4. Transferee Profile

(1)	Company Name	SBIP Hybrid Y.K.
(2)	Head Office Address	1-4 Wakaba, Shinjuku-ku, Tokyo
(3)	Representative	Shigehisa Miyake, Director
(4)	Paid-in Capital	3 million yen
(5)	Line of Business	<ol style="list-style-type: none"> 1. Selling, purchasing, owning and managing beneficiary interests in trust for real estate 2. Selling, purchasing, leasing, brokering, owning and managing real estate 3. Selling, purchasing, owning and managing investment securities 4. All work incidental to the above
(6)	Relationship with NRI	None

5. Outlook

NRI is examining and ascertaining the degree of impact resulting from the Transfer on the management performance outlook of NRI for the fiscal period ending in May 2006 (December 1, 2005 – May 31, 2006), the period when the Transfer will be executed (delivered). The findings will be announced once determined.

II. Overview of Change to Transferee

1. Assets being Transferred

(A) City Forum Kami-Hongo

- (1) Contract Date: November 9, 2005
- (2) Scheduled Delivery Date: November 25, 2005
- (3) Transferee: Uranos Investment Y.K. (refer to 2. below)

(B) Wakohre Higashi-Nippori II

- (1) Contract Date: November 9, 2005
- (2) Scheduled Delivery Date: November 25, 2005
- (3) Transferee: Uranos Investment Y.K. (refer to 2. below)

2. Transferee (After Change)

- (1) Company Name: Uranos Investment Y.K.
- (2) Head Office Address: 5-2-2 Roppongi, Minato-ku, Tokyo
- (3) Representative: Masaki Shimada
- (4) Paid-in Capital: 3 million yen
- (5) Line of Business:
 - 1. Owning, selling and purchasing beneficiary interests in trust for real estate
 - 2. Owning, selling, purchasing, leasing and managing real estate
 - 3. Selling and purchasing of monetary claims including bill claims
 - 4. All work incidental or related to the above
- (6) Relationship with NRI: None

The concerned change to the transferee is in correlation with the agreed termination of the sale and purchase agreement with the transferee of the assets announced in “Notification on Transfer of City Forum Kami-Hongo and Wakohre Higashi-Nippori II”

issued on September 1, 2005 and the signing of a new sale and purchase agreement with the transferee mentioned under the Transferee (After Change).

3. Outlook

There are no revisions to the management performance outlook for NRI for the fiscal period ending in November 2005 (June 1, 2005 – November 30, 2005) resulting from this change.

- 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>