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For Immediate Release



Nippon Residential Investment Corporation  
1-14-1 Kanda Jimbo-cho, Chiyoda-ku, Tokyo  
Masaru Nishimura  
Chief Executive Officer  
(Securities Code: 8962)

Asset Management Company:  
Pacific Residential Corporation  
1-14-1 Kanda Jimbo-cho, Chiyoda-ku, Tokyo  
Takeshi Takano  
President and Chairman of the Board

Inquiries:  
Shigeki Hirayama  
Director  
Phone: +81-(0)3-3518-0480

#### Notification of Partial Retirement by Purchase of Investment Corporation Bonds

Nippon Residential Investment Corporation (NRIC) announces the following retirement by purchase of some of its investment corporation bonds (hereafter, the "Retirement").

1. Scheduled Date of the Retirement

May 26, 2009

2. Details of Investment Corporation Bonds to be Retired by Purchase

(1) Nippon Residential Investment Corporation Third Unsecured Corporate Bonds

- (i) Total Amount of Corporate Bonds: 10,000 million yen
- (ii) Amount of Retirement by Purchase: 300 million yen
- (iii) Interest Rate: 1.28000%
- (iv) Due Date for Redemption: September 24, 2012

(2) Nippon Residential Investment Corporation Tenth Unsecured Corporate Bonds

- (i) Total Amount of Corporate Bonds: 5,000 million yen
- (ii) Amount of Retirement by Purchase: 200 million yen
- (iii) Interest Rate: 1.90000%
- (iv) Due Date for Redemption: September 13, 2012

3. Funds for Retirement by Purchase

A portion of the sales proceeds announced in the “Notification on Transfer of Dormitory Haramachida” dated May 21, 2009 will be allocated to the funds for the retirement by purchase.

4. Impact on Business Performance

While the Retirement will result in approximately 137 million yen in gain on retirement by purchase, approximately 114 million yen in loss on sale is incurred from the sale of Dormitory Haramachida as announced in the “Notification on Transfer of Dormitory Haramachida” dated May 21, 2009. Consequently, there is no change to the distribution per unit forecast in the management performance outlook for the fiscal period ending in May 2009 (Eleventh Fiscal Period: December 1, 2008 – May 31, 2009) from that announced in the “Notification of Revision to Management Performance Forecasts for Fiscal Period Ending in May 2009 (Eleventh Fiscal Period)” dated April 10, 2009.

5. Status of Interest-Bearing Debt

For the status of interest-bearing debt of NRIC after the Retirement, please refer to the “Notification on Loan Repayment (Partial Early Performance of Obligations) and Partial Cancellation of Interest Rate Swap Agreement” dated May 21, 2009.

- 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>

*This English language notice is a translation of the Japanese language notice dated May 21, 2009 and was prepared solely for the convenience of, and reference by, overseas investors. NRIC makes no warranties as to its accuracy or completeness.*