

May 21, 2009

For Immediate Release



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Notification on Loan Repayment (Partial Early Performance of Obligations) and
Partial Cancellation of Interest Rate Swap Agreement

Nippon Residential Investment Corporation (NRIC) announces, in correlation with the transfer of an asset announced in the “Notification on Transfer of Dormitory Haramachida” dated May 21, 2009 and based on the agreements on grant of collateral signed on December 26, 2008, that it has decided to perform some of its obligations in advance of the principal repayment date with respect to the following loans and to cancel a part of an interest rate swap agreement as outlined below.

1. Details of Partial Early Performance of Obligations

<Long-Term Loan >

- | | | |
|---|---|--|
| (i) Lender | : | The Dai-ichi Mutual Life Insurance Company |
| (ii) Loan amount | : | 997,827,000 yen |
| (iii) Repayment amount | : | 2,877,000 yen |
| (iv) Drawdown date | : | August 29, 2006 |
| (v) Principal repayment deadline | : | August 31, 2011 |
| (vi) Date of repayment to be executed | : | May 25, 2009 (scheduled) |

<Long-Term Loan>

- (i) Lender : Daido Life Insurance Company
- (ii) Loan amount : 1,596,523,000 yen
- (iii) Repayment amount : 4,603,000 yen
- (iv) Drawdown date : November 17, 2006
- (v) Principal repayment deadline : November 17, 2013
- (vi) Date of repayment to be executed : May 25, 2009 (scheduled)

<Long-Term Loan>

- (i) Lenders : National Mutual Insurance Federation of
Agricultural Cooperatives,
Taiyo Life Insurance Company,
The Dai-ichi Mutual Life Insurance Company
Mitsui Sumitomo Insurance Co. Ltd.,
- (ii) Loan amount : 5,488,049,000 yen
- (iii) Repayment amount : 15,823,000 yen
- (iv) Drawdown date : December 26, 2006
- (v) Principal repayment deadline : December 26, 2011
- (vi) Date of repayment to be executed : May 25, 2009 (scheduled)

<Long-Term Loan>

- (i) Lenders : The Norinchukin Bank,
The Hachijuni Bank, Ltd.
- (ii) Loan amount : 5,986,964,000 yen
- (iii) Repayment amount : 17,261,000 yen
- (iv) Drawdown date : December 26, 2006
- (v) Principal repayment deadline : December 26, 2011
- (vi) Date of repayment to be executed : May 25, 2009 (scheduled)

<Long-Term Loan>

- (i) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
The Sumitomo Trust & Banking Co., Ltd.
Mitsubishi UFJ Trust & Banking Corporation
The Chuo Mitsui Trust and Banking Co., Ltd.
The Chiba Bank, Ltd.
Shinkin Central Bank

- (ii) Loan amount : 10,976,097,000 yen
- (iii) Repayment amount : 31,647,000 yen
- (iv) Drawdown date : February 20, 2007
- (v) Principal repayment deadline : February 19, 2010
- (vi) Date of repayment to be executed : May 25, 2009 (scheduled)

< Long-Term Loan >

- (i) Lender : Taiyo Life Insurance Company
- (ii) Loan amount : 997,827,000 yen
- (iii) Repayment amount : 2,877,000 yen
- (iv) Drawdown date : September 19, 2007
- (v) Principal repayment deadline : September 19, 2012
- (vi) Date of repayment to be executed : May 25, 2009 (scheduled)

< Long-Term Loan >

- (i) Lender : Daido Life Insurance Company
- (ii) Loan amount : 898,044,000 yen
- (iii) Repayment amount : 2,589,000 yen
- (iv) Drawdown date : September 19, 2007
- (v) Principal repayment deadline : September 19, 2013
- (vi) Date of repayment to be executed : May 25, 2009 (scheduled)

< Long-Term Loan >

- (i) Lender : Sumitomo Mitsui Banking Corporation
- (ii) Loan amount : 1,995,654,000 yen
- (iii) Repayment amount : 5,754,000 yen
- (iv) Drawdown date : November 30, 2007
- (v) Principal repayment deadline : November 30, 2010
- (vi) Date of repayment to be executed : May 25, 2009 (scheduled)

< Long-Term Loan >

- (i) Lender : Development Bank of Japan Inc.
- (ii) Loan amount : 1,995,654,000 yen
- (iii) Repayment amount : 5,754,000 yen
- (iv) Drawdown date : November 30, 2007
- (v) Principal repayment deadline : November 30, 2012

(vi) Date of repayment to be executed : May 25, 2009 (scheduled)

< Long-Term Loan >

(i) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Mitsubishi UFJ Trust & Banking Corporation
The Sumitomo Trust & Banking Co., Ltd.
The Chuo Mitsui Trust and Banking Co., Ltd.

(ii) Loan amount : 6,885,007,000 yen

(iii) Repayment amount : 19,850,000 yen

(iv) Drawdown date : February 29, 2008

(v) Principal repayment deadline : May 31, 2010

(vi) Date of repayment to be executed : May 25, 2009 (scheduled)

< Long-Term Loan >

(i) Lender : Sumitomo Mitsui Banking Corporation

(ii) Loan amount : 1,995,654,000 yen

(iii) Repayment amount : 5,754,000 yen

(iv) Drawdown date : February 29, 2008

(v) Principal repayment deadline : May 31, 2010

(vi) Date of repayment to be executed : May 25, 2009 (scheduled)

< Long-Term Loan >

(i) Lender : Development Bank of Japan Inc.

(ii) Loan amount : 1,995,654,000 yen

(iii) Repayment amount : 5,754,000 yen

(iv) Drawdown date : June 27, 2008

(v) Principal repayment deadline : November 30, 2012

(vi) Date of repayment to be executed : May 25, 2009 (scheduled)

< Short -Term Loan >

(i) Lender : Sumitomo Mitsui Banking Corporation

(ii) Loan amount : 1,995,654,000 yen

(iii) Repayment amount : 5,754,000 yen

(iv) Drawdown date : August 29, 2008

(v) Principal repayment deadline : August 31, 2009

(vi) Date of repayment to be executed : May 25, 2009 (scheduled)

<Short -Term Loan >

- (i) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Mitsubishi UFJ Trust & Banking Corporation
The Chuo Mitsui Trust and Banking Co., Ltd.
The Sumitomo Trust & Banking Co., Ltd.
Sumitomo Mitsui Banking Corporation
- (ii) Loan amount : 13,071,537,000 yen
- (iii) Repayment amount : 37,687,000 yen
- (iv) Drawdown date : December 26, 2008
- (v) Principal repayment deadline : August 31, 2009
- (vi) Date of repayment to be executed : May 25, 2009 (scheduled)

<Short -Term Loan >

- (i) Lender : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- (ii) Loan amount : 1,995,654,000 yen
- (iii) Repayment amount : 5,754,000 yen
- (iv) Drawdown date : December 26, 2008
- (v) Principal repayment deadline : August 31, 2009
- (vi) Date of repayment to be executed : May 25, 2009 (scheduled)

<Short -Term Loan >

- (i) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Mitsubishi UFJ Trust & Banking Corporation
The Chuo Mitsui Trust and Banking Co., Ltd.
The Sumitomo Trust & Banking Co., Ltd.
Resona Bank, Ltd.
Aozora Bank, Ltd.
Sumitomo Mitsui Banking Corporation
- (ii) Loan amount : 10,876,314,000 yen
- (iii) Repayment amount : 31,359,000 yen
- (iv) Drawdown date : February 27, 2009
- (v) Principal repayment deadline : June 30, 2009
- (vi) Date of repayment to be executed : May 25, 2009 (scheduled)

2. Details of Interest Rate Swap Due to be Partially Cancelled

< Interest Rate Swap Agreement >

(i) Counterparty:	Mitsubishi UFJ Trust & Banking Corporation
(ii) Notional principal before cancellation:	1,995,654,000 yen
(iii) Calculation commencement date:	November 30, 2007
(iv) Calculation termination date:	November 30, 2010
(v) Date of partial cancellation:	May 25, 2009 (scheduled)
(vi) Amount of partial cancellation:	5,754,000 yen

Furthermore, another announcement will be made when the adjusted amount in correlation with this cancellation is finalized.

3. Interest-Bearing Debt of NRIC

The status of loans after execution of the above, as well as the status of investment corporation bonds after the partial retirement by purchase of investment corporation bonds announced in the “Notification of Partial Retirement by Purchase of Investment Corporation Bonds” dated May 21, 2009, are as follows.

	Before Execution	After Execution	Increase (Decrease)
(Unit: million yen)			
Short-term loans	27,939	27,858	(80)
Long-term loans	51,662	51,542	(120)
Investment corporation bonds	90,000	89,500	(500)
Total interest-bearing debt	169,601	168,900	(701)
(Unit: %)			
Interest-bearing debt ratio	53.3	53.2	(0.1)

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) 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 May 21, 2009.

- 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>

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.