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For Immediate Release



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Notification on Additional Issue of New Investment Units Via Third-Party Allotment

Nippon Residential Investment Corporation (NRIC) announces that the following third party has informed NRIC that it will exercise options (greenshoe option) to purchase the investment units NRIC will additionally issue through a third-party allotment. NRIC granted the greenshoe option to the third party for the issue of new investment units through the third-party allotment that NRIC resolved at Board of Directors' Meetings held on May 19, 2005 and June 6, 2005 in conjunction with the decision to issue new investment units through a public offering and secondary offering of the investment units (over-allotment).

(1) Total number of units to be issued	1,482 units
(2) Issue price	608,716 yen per unit
(3) Total issue amount	902,117,112 yen
(4) Application date	July 8 (Friday), 2005
(5) Payment date	July 8 (Friday), 2005
(6) Allottee	Mitsubishi Securities Co., Ltd.

<Reference>

1. Please refer to the “Notification on Board of Directors’ Resolution Concerning the Issuing and Secondary Offering of New Investment Units” dated May 19, 2005 for details on the abovementioned issue of new investment units through third-party allotment.

2. Changes in Total Number of Investment Units Outstanding Resulting from the Third-Party Allotment

Total number of investment units presently outstanding	142,845 units
Increase in investment units	1,482 units
Number of investment units outstanding after third-party allotment	144,327 units

3. Use of Funds Procured Through Third-Party Allotment

The estimated proceeds of 902,117,112 yen resulting from the abovementioned third-party allotment will be allocated to repay short-term loans and to fund acquisition of NRIC’s specified assets (same meaning as defined in Article 2-1 of the Law Concerning Investment Trusts and Investment Corporations).

Further, the abovementioned exercising of the greenshoe option will not lead to any revisions to NRIC’s performance outlook (forecast) for the fiscal period ending November 2005 (June 1, 2005 ~ November 30, 2005) that was announced in “Notification on Performance Forecasts for the Fiscal Period Ending in November 2005” dated May 19, 2005.

- 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>