

October 27, 2006

**For Immediate Release**

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**Notice Concerning Debt Financing**

LCP Investment Corporation (the “Investment Corporation”) is pleased to announce that on October 27,2006, the Investment Corporation reached agreement with certain financial institutions regarding the borrowing of funds as follows.

**1, Rationale**

The borrowed funds will be used for the acquisition of trust beneficiary interest in real estate for Lexington Square Fushimi and the payment of the expenses related to the acquisitions.

(\*) With respect to the outline of trust beneficiary interest in real estate for Lexington Square Fushimi, please refer to 「Notice Concerning Acquisition Assets and Forecasts of Financial Results for the Fiscal Periods Ending August 31,2007」 as of October 27,2006

**2, Details of Debt Financing**

<Credit Loan>

Lenders : Aozora Bank, Ltd (Agent), Tokio Marine & Nichido Fire Insurance Co.,Ltd and Resona Bank, Ltd

Maximum Amount : 3,240 million yen

Interest Rate : The interest rate for the period from October 31,2006 to January 31,2007 is 0.95091 % p.a. (\*)

Planned Date : October 31,2006

Debt Financing Method : Pursuant to 「 Individual Credit Loan Agreement 」 executed with the financial institutions shown to above on October 27,2006 based on Credit Line Agreement as of May 23,2006

Interest Payment Date : The first interest payment date is January 31,2007. Hereafter, the last date of every 3 months ( or the previous business day if such day is non-business day) and Repayment date of Credit Loan

Repayment Methods : Principal repayment in full on maturity

Repayment Date : October 31,2007

Collateral: Secured (The first right of pledge is established on Lexington Square Fushimi which is acquired by the said borrowing funds. The second right of pledge is established on 30 trust beneficiary interests in real estate which are holding assets shown to Appendix.)

(\*) The interest rate during the calculation period after the first interest payment date is not determined. The interest rate during the calculation period after the first interest payment is 3 months JPY TIBOR + 0.5%. The interest rate which is not determined will be announced when it is determined.

### **3, Use of Funds**

The borrowing funds are utilized for the payment for the acquisition of trust beneficiary interest in real estate (Lexington Square Fushimi) and other related expenses.

- \* This document is being distributed today to Kabuto Club (the press club of the TSE) as well as to the press club for the Ministry of Land, Infrastructure and Transport Ministry and the press club for specialty construction newspapers at the Ministry of Land, Infrastructure and Transport.
- \* The web site of the Investment Corporation : <http://www.lcp-reit.co.jp>
- \* This English language notice is a translation of the Japanese language notice issued on the same day and was prepared solely for the convenience of, and reference by, overseas investors. LCP Investment Corporation makes no warranties as to its accuracy or completeness.

## &lt;Reference&gt;

**Conditions of Debt Financing Balance after Borrowing of Credit Loan**

(Unit : Million Yen)

Loan	Before Borrowing	After Borrowing	Balance
Term Loan	22,700	22,700	-
Credit Loan	-	3,240	3,240
Loan Outstanding (Total)	22,700	25,940	3,240

**<Appendix> List of Assets subject to Security Interests**

Property Number	Property Name	Type
R-1	City House Tokyo Shinbashi	Trust beneficiary interest in real estate
R-2	Pure City Roppongi	Trust beneficiary interest in real estate
R-3	Winbell Kagurazaka	Trust beneficiary interest in real estate
R-4	Nishiwaseda Crescent Mansion	Trust beneficiary interest in real estate
R-5	Lexington Square Akebonobashi	Trust beneficiary interest in real estate
R-6	Montserrat Yotsuya	Trust beneficiary interest in real estate
R-7	Casa Eremitaggio	Trust beneficiary interest in real estate
R-8	Homest East Hills	Trust beneficiary interest in real estate
R-9	Lexington Square Shimokitazawa	Trust beneficiary interest in real estate
R-10	Homest Ikejiri	Trust beneficiary interest in real estate
R-11	Towa City Coop Shinotsuka	Trust beneficiary interest in real estate
R-12	Towa City Coop Asukayamakoen	Trust beneficiary interest in real estate
R-13	Bichsel Musashiseki	Trust beneficiary interest in real estate
R-14	Lexel Mansion Ueno Matsugaya	Trust beneficiary interest in real estate
R-15	Cosmos Nishiojima Grand Stage	Trust beneficiary interest in real estate
R-16	Towa City Coop Sengencho	Trust beneficiary interest in real estate
R-17	Royal Park Omachi	Trust beneficiary interest in real estate
R-18	Lexington Square Haginomachi	Trust beneficiary interest in real estate
R-19	Visconti Kakuozan	Trust beneficiary interest in real estate
R-20	Lexington Square Kitahorie	Trust beneficiary interest in real estate
R-21	Lexington Square Shinmachi	Trust beneficiary interest in real estate
R-22	Luna Coat Tsukamoto	Trust beneficiary interest in real estate
0-1	Otsuka Cent Core Building	Trust beneficiary interest in real estate
0-2	Ueno Fujita Estate 1	Trust beneficiary interest in real estate
0-3	Cross Square NAKANO	Trust beneficiary interest in real estate
0-4	Lexington Plaza Hachiman	Trust beneficiary interest in real estate
0-5	Ohki Aoba Building	Trust beneficiary interest in real estate
0-6	Loc Town Sukagawa	Trust beneficiary interest in real estate
0-7	Lexington Plaza Sakaeminami	Trust beneficiary interest in real estate
0-8	Valor Takinomizu	Trust beneficiary interest in real estate