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For Immediate Release

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**Notice Concerning Pricing
for the Additional Issue of New Investment Units and Secondary Offering**

New City Residence Investment Corporation (“NCRI” or “the Investment Corporation”) today announced it had determined the offer price for the additional issue of new investment units and secondary offering at a Board of Directors meeting held on December 7, 2004. This decision follows the Investment Corporation’s resolution to an additional issue of new investment units and a secondary offering, ratified at a Board of Directors meeting held on November 12, 2004. Brief details are as follows:

1. Primary Offering for the Additional Issue of New Investment Units

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| (1) Total number of units to be issued | : 72,800 units |
| (2) Offer price | : ¥550,000 per unit |
| (3) Gross proceeds | : ¥40,040,000,000 |
| (4) Underwritten price | : ¥528,000 per unit |
| (5) Gross proceeds | : ¥38,438,400,000 |
| (6) Application period | : December 8, 2004 (Wednesday) through
December 10, 2004 (Friday) inclusive |

2. Third-Party Allotment (Greenshoe Option)

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|--|---------------------|
| (1) Total number of units to be issued | : 1,456 units |
| (2) Offer price | : ¥528,000 per unit |
| (3) Gross proceeds | : ¥768,768,000 |
| (4) Purchase price | : ¥528,000 per unit |

Note: This press release provides information regarding New City Residence Investment Corporation’s decision to an additional issue of new investment units and a secondary offering, and is not provided as an inducement or invitation for investment. We caution readers to refer to the Investment Corporation’s offering circular and notice of amendments thereto and to undertake investment decisions subject to individual determination and responsibility.

- (5) Gross proceeds : ¥768,768,000
- (6) Application period : January 12, 2005 (Wednesday)
- (7) Application date : January 12, 2005 (Wednesday)
- (8) Third party and number of units to be issued to the third party : Mizuho Securities Co., Ltd. (1,456 units)

Note: Investment units that the third party fails to apply for shall be forfeited.

3. Secondary Offering (Over-Allotment)

- (1) Total number of units to be offered : 1,456 units
- (2) Offer price : ¥550,000 per unit
- (3) Gross proceeds : ¥800,800,000
- (4) Application period : December 8, 2004 (Wednesday) through December 10, 2004 (Friday) inclusive

4. Basis for Calculating the Offer Price and the Purchase Price

In connection with procedures to determine the offer and purchase price for the additional issue of new investment units and secondary offering, the Investment Corporation established an indicative pricing range of more than ¥500,000 per unit and less than ¥550,000 per unit. Based on this indicative pricing range, the Investment Corporation implemented book-building procedures.

The results of book building were characterized as follows:

1. Total demand for investment units exceeded the proposed total number of investment units to be issued under primary and secondary offering.
2. Substantial numbers of applications were filed.
3. A considerable number of applications were filed at the maximum price of the indicative pricing range.

Based on the aforementioned book-building procedures, expectations that demand will exceed the total number of investment units to be issued under primary and secondary offering, further expectations that there will be more than sufficient investors at the time of public listing, and after giving due consideration to market conditions, including trends in the real estate investment trust market and risks associated with price fluctuation for the period leading to public listing, the Investment Corporation has set the offer price for the additional issue of new investment units under primary offering and secondary offering (over-allotment) at ¥550,000 per unit.

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In addition, the underwritten price for the additional issue of new investment units and secondary offering was set at ¥528,000 per unit.

Furthermore, in line with the offer and purchase price determined for the additional issue of new investment units and secondary offering, the Investment Corporation set the third-party allotment underwritten price at ¥528,000 per unit.

- This document is released to media organizations through the “Kabuto Club” (the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure and Transport Press Club, and the Press Club for the Ministry of Land, Infrastructure and Transport Construction Paper.

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