

NEW CITY RESIDENCE

New City Residence Investment Corporation

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For Immediate Release

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Notice Concerning the Acquisition of Investment Assets

New City Residence Investment Corporation (“NCRF” or “the Investment Corporation”) today announced its decision to acquire the following investment assets.

1. Acquisition Details

(1) Investment Assets Identified for Acquisition

Trust Beneficiary Interests in Nine Properties

(Millions of yen)

	Property Name	Projected Acquisition Price (Note 1)
1	The Aprire Tarumi Building	1,710
2	The New City Residence Otsuka Building	1,290
3	The New City Residence Nihonbashi Ningyocho I Building (Note 2)	1,230
4	The New City Residence Nihonbashi Ningyocho II Building (Note 2)	1,290
5	The New City Residence Shin Ochanomizu Building	1,160
6	The New City Residence Morishita Building	985
7	The New City Residence Jinbocho Building	2,803
8	The New City Residence Nihonbashi Ningyocho III Building (Note 2)	1,662
9	The New City Residence Uehonmachi Building	855
	Total	12,985

Notes:

1. Projected acquisition prices are exclusive of property tax, urban planning tax, consumption tax, and local consumption tax.
2. The current names of properties 3,4, and 8 identified in the table above are New City Residence Ningyocho I Building, New City Residence Ningyocho II Building, and New City Residence Ningyocho III Building, respectively. The Investment

Corporation intends to change the names of each building to those identified in the above table shortly after acquisition.

(2) Acquisition Terms and Conditions

The Investment Corporation intends to execute an agreement for the acquisition of trust beneficiary interests over the aforementioned properties with conditions precedent on January 28, 2005 to enable it to conduct due diligence in connection with each property and to secure the identified investment opportunities. Given that construction of properties seven through nine identified in the preceding table has only recently been completed, the Investment Corporation has also negotiated an acquisition date either six months after the date of purchase agreement execution or the date on which the occupancy rate exceeds 70%, whichever is the earlier. Moreover, leasing expenses from the date of purchase agreement execution up to the date of acquisition are under the seller's care.

[Conditions Precedent]

Acquisition of investment assets is subject to due diligence and the absence of substantial matters that may affect projected acquisition prices.

(3) Acquisition Dates

- i) The date of trust beneficiary interests (conditions precedent) purchase agreement execution is scheduled for January 28, 2005.
- ii) The acquisition (settlement) date is subject to fulfillment of the conditions precedent.

Properties one through six:

February 25, 2005 (planned)

Properties seven through nine:

July 29, 2005 (planned).

However, the Investment Corporation maintains a separate agreement with the seller to acquire each subject property on July 29, 2005, or a date on which lease contracts in hand, including applications to occupy each subject property, exceed 70% of total leasable floor space, whichever is the earlier.

(4) Seller

New City Real Estate Trading 6 Co., Ltd. (Please refer to **3. Seller Profile** for details.)

(5) Financing Details

The Investment Corporation intends to acquire investment properties utilizing cash on

hand and debt financing.

2. Property Details

Property 1: The Aprire Tarumi Building

(1) Reason for Acquisition

(i) Property Features

The property is situated in an established residential area adjoining Kobe City. A commuter town, the area is mainly comprised of medium- and high-rise apartments, including the Takamaru and Maiko residential complexes. Access is by rail and bus. The property is located approximately 16 minutes on foot from Tarumi Station and within close proximity of “Tarumi Chugakko-mae” bus stop. On weekdays, buses depart from “Tarumi Chugakko-mae” bus stop for Tarumi Station 28 times from 7.00 to 8.00 a.m. Building facilities include parking space for 102 vehicles, which exceeds the number of apartments, providing ample parking for those commuting to work by car. The complex is comprised entirely of family-type apartments, of which a number are under fixed corporate lease as company-subsidized housing. The property provides high expectations for stable revenues and income.

(ii) Housing Type and Floor Plan

Family Type: 100%

Floor Plan: 99 3LDK (three bedrooms with lounge, dining and kitchen) apartments

Note: For further details, please refer to Attachment 1., “Composition by Housing Type.”

(2) Property Profile (Scheduled for Acquisition)

Property Name	The Aprire Tarumi Building	
Type of Acquisition	Trust beneficiary interest	
Trustee	UFJ Trust Bank Limited	
Trust Maturity Date	November 26, 2010	
Acquisition Date	February 25, 2005 (Planned)	
Residential Address (Note 1)	7-2246-70 Takamaru, Tarumi-ku, Kobe-shi, Hyogo Prefecture	
Access	Approximately 16 minutes on foot from Tarumi Station, JR Sanyo Line	
Use	Apartment complex	
Site Area (Note 1)	Land	5,708.48 m ²
	Building	6,981.53 m ²
Construction (Note 1)	RC 12F	
Type of Ownership	Proprietary ownership	
Completion Date (Note 1)	January 2003	

Acquisition Price		¥1,710 million
Appraisal Method		Tokyo Joint Appraisal Office
Appraisal Value		¥1,710 million
Collateral		None
Special Considerations		None
Tenant Details	Number of Tenants (Notes 2 & 3)	1
	Total No. of Leasable Apartments (Note 2)	99
	Total No. of Leased Apartments (Notes 2 & 4)	99
	Forecast Annual Rental Revenue (Note 5)	¥124,296,000
	Total Leasable Floor Space (Note 2)	6,545.25 m ²
	Total Leased Floor Space (Note 2)	6,545.25 m ²
	Occupancy Ratio Based on Floor Space (Note 2)	100%

Notes:

1. “Residential Address,” “Site Area,” “Construction,” and “Completion Date” are as per registered details.
2. As of January 16, 2005
3. The “Number of Tenants” is recorded as “1” where a single master lease has been executed with a sublessor company.
4. The “Total No. of Leased Apartments” represents the number of end-tenants to whom apartments are leased.
5. The “Forecast Annual Rental Revenue” comprises forecast annual rental revenue, common service fees, key money, parking and other related facility fee income. The appraisal value is calculated by deducting the amount of security deposits and other related operating income from gross revenue, calculated using the direct capitalization method, assuming an occupancy ratio of 100%.

Property 2: The New City Residence Otsuka Building

(1) Reason for Acquisition

(i) Property Features

Situated on an elevated plateau with gentle slopes to the east and south, the subject property is located approximately four minutes on foot from the nearest rail station. Completed in September 2004, the New City Residence Otsuka Building is in a relatively quiet area with medium- and high-rise condominiums and office buildings to its south. The subject property is conveniently located along the JR Yamanote Line, and provides easy access for workers to Ikebukuro, Shinjuku, and Shibuya. The complex is comprised of apartments that face either the south or the east and offers superior facilities, particularly in terms of security. Features include a double auto-lock security system, TV monitors at each elevator hall, double-lock apartment entry, and building security sensors.

(ii) Housing Type and Floor Plan

Single Type: 100%

Floor Plan: 9 1R (single room) apartments and 45 1K (single room with kitchen) apartments

Note: For further details, please refer to Attachment 1., “Composition by Housing Type.”

(2) Property Profile (Scheduled for Acquisition)

Property Name		The New City Residence Otsuka Building
Type of Acquisition		Trust beneficiary interest
Trustee		UFJ Trust Bank Limited
Trust Maturity Date		September 30, 2010
Acquisition Date		February 25, 2005 (Planned)
Residential Address (Note 1)		2-2421-1 Higashi Ikebukuro, Toshima-ku, Tokyo
Access		Approximately four minutes on foot from Otsuka Station, JR Yamanote Line
Use		Apartment complex
Site Area (Note 1)	Land	330.28 m ²
	Building	2,022.60 m ²
Construction (Note 1)		SRC 13F
Type of Ownership		Proprietary ownership
Completion Date (Note 1)		September 2004
Acquisition Price		¥1,290 million
Appraisal Method		Tokyo Joint Appraisal Office
Appraisal Value		¥1,290 million
Collateral		None
Special Considerations		None
Tenant Details	Number of Tenants (Notes 2 & 3)	1
	Total No. of Leasable Apartments (Note 2)	54
	Total No. of Leased Apartments (Notes 2 & 4)	25
	Forecast Annual Rental Revenue (Note 5)	¥80,070,000
	Total Leasable Floor Space (Note 2)	1,785.24 m ²
	Total Leased Floor Space (Note 2)	826.47 m ²
	Occupancy Ratio Based on Floor Space (Note 2)	46.3%

Notes:

1. “Residential Address,” “Site Area,” “Construction,” and “Completion Date” are as per registered details.
2. As of January 16, 2005
3. The “Number of Tenants” is recorded as “1” where a single master lease has been executed with a sublessor company.
4. The “Total No. of Leased Apartments” represents the number of end-tenants to whom apartments are leased.
5. The “Forecast Annual Rental Revenue” comprises forecast annual rental revenue, common service fees, key money, parking and other related facility fee income. The appraisal value is calculated by deducting the amount of security deposits and other related operating income from gross revenue, calculated using the direct capitalization method, assuming an occupancy ratio of 96%.

Property 3: The New City Residence Ningyocho I Building

(1) Reason for Acquisition

(i) Property Features

The New City Residence Ningyocho I Building is situated approximately four minutes on foot from Ningyocho Station on the Tokyo Metro Hibiya Line, and approximately five to six minutes on foot from each of Bakurocho Station on the JR Sobu Line, Bakuroyokoyama Station on the Toei Subway Shinjuku Line, and Higashi Nihonbashi Station on the Toei Subway Asakusa Line. In addition to the convenience of quick access to four railway stations servicing four railway lines, the newly constructed building (September 2004) is located approximately 1.7 kilometers from Tokyo's central business district including Marunouchi, Otemachi, and Nihonbashi. Located within close proximity, the complementary acquisitions of the New City Residence Ningyocho II Building (Property 4) and the New City Residence Ningyocho III Building (Property 8) are also expected to generate significant property management and marketing benefits.

(ii) Housing Type and Floor Plan

Urban Family Type:	66%
Family Type:	34%
Floor Plan:	8 1LDK (one bedroom with lounge, dining and kitchen) apartments, 16 1LDK+S (one bedroom with lounge, dining, kitchen and service room) apartments, 2 2LDK (two bedrooms with lounge, dining and kitchen) apartments, and 6 3LDK (three bedrooms with lounge, dining and kitchen) apartments

Note: For further details, please refer to Attachment 1., "Composition by Housing Type."

(2) Property Profile (Scheduled for Acquisition)

Property Name	The New City Residence Ningyocho I Building (Note 1)
Type of Acquisition	Trust beneficiary interest
Trustee	UFJ Trust Bank Limited
Trust Maturity Date	December 10, 2010
Acquisition Date	February 25, 2005 (Planned)
Residential Address (Note 1)	10-19 Nihonbashi-Tomizawacho, Chuo-ku, Tokyo
Access	Approximately four minutes on foot from Ningyocho Station, Tokyo Metro Hibiya Line
Use	Apartment complex

Site Area (Note 1)	Land	245.67 m ²
	Building	1,923.30 m ²
Construction (Note 1)	SRC 13F	
Type of Ownership	Proprietary ownership	
Completion Date (Note 1)	August 2004	
Acquisition Price	¥1,230 million	
Appraisal Method	Tokyo Joint Appraisal Office	
Appraisal Value	¥1,250 million	
Collateral	None	
Special Considerations	The property has an approved maximum building capacity to lot ratio of 760% pursuant to urban planning inducements applicable to Chuo ward.	
Tenant Details	Number of Tenants (Notes 2 & 3)	1
	Total No. of Leasable Apartments (Note 2)	32
	Total No. of Leased Apartments (Notes 2 & 4)	13
	Forecast Annual Rental Revenue (Note 5)	¥75,791,000
	Total Leasable Floor Space (Note 2)	1,747.90 m ²
	Total Leased Floor Space (Note 2)	597.56 m ²
	Occupancy Ratio Based on Floor Space (Note 2)	34.2%

Notes:

1. The Investment Corporation intends to change the name of the property from New City Apartment Ningyocho I shortly after acquisition.
2. “Residential Address,” “Site Area,” “Construction,” and “Completion Date” are as per registered details.
3. As of January 16, 2005
4. The “Number of Tenants” is recorded as “1” where a single master lease has been executed with a sublessor company.
5. The “Total No. of Leased Apartments” represents the number of end-tenants to whom apartments are leased.
6. The “Forecast Annual Rental Revenue” comprises forecast annual rental revenue, common service fees, key money, parking and other related facility fee income. The appraisal value is calculated by deducting the amount of security deposits and other related operating income from gross revenue, calculated using the direct capitalization method, assuming an occupancy ratio of 96%.

Property 4: The New City Residence Ningyocho II Building

(1) Reason for Acquisition

(i) Property Features

The New City Residence Ningyocho II Building is situated approximately four minutes on foot from Bakuroyokoyama Station on the Toei Subway Shinjuku Line, and approximately five to six minutes on foot from each of Bakurocho Station on the JR Sobu Line, Ningyocho Station on the Tokyo Metro Hibiya Line, and Higashi Nihonbashi Station on the Toei Subway

Asakusa Line. In addition to the convenience of quick access to four railway stations serviced by four railway lines, the newly constructed building (August 2004) is located approximately 1.7 kilometers from Tokyo's central business district including Marunouchi, Otemachi, and Nihonbashi, thereby providing significant convenience to those commuting to work.

- (ii) Housing Type and Floor Plan
- | | |
|--------------------|---|
| Urban Family Type: | 65% |
| Family Type: | 35% |
| Floor Plan: | 14 1DK (one bedroom with dining and kitchen) apartments, 16 1LDK (one bedroom with lounge, dining and kitchen) apartments, and 8 3LDK (three bedrooms with lounge, dining and kitchen) apartments |

Note: For further details, please refer to Attachment 1., "Composition by Housing Type."

(2) Property Profile (Scheduled for Acquisition)

Property Name	The New City Residence Ningyocho II Building (Note 1)	
Type of Acquisition	Trust beneficiary interest	
Trustee	UFJ Trust Bank Limited	
Trust Maturity Date	December 10, 2010	
Acquisition Date	February 25, 2005 (Planned)	
Residential Address (Note 1)	8-13 Tomizawacho, Nihonbashi, Chuo-ku, Tokyo	
Access	Approximately four minutes on foot from Bakuroyokoyama Station, Toei Subway Shinjuku Line	
Use	Apartment complex	
Site Area (Note 1)	Land	276.99 m ²
	Building	1,970.14 m ²
Construction (Note 1)	SRC 12F	
Type of Ownership	Proprietary ownership	
Completion Date (Note 1)	August 2004	
Acquisition Price	¥1,290 million	
Appraisal Method	Tokyo Joint Appraisal Office	
Appraisal Value	¥1,310 million	
Collateral	None	
Special Considerations	The property has an approved maximum building capacity to lot ratio of 718.2% pursuant to urban planning inducements applicable to Chuo ward.	
Tenant Details	Number of Tenants (Notes 2 & 3)	1
	Total No. of Leasable Apartments (Note 2)	38
	Total No. of Leased Apartments (Notes 2 & 4)	25
	Forecast Annual Rental Revenue (Note 5)	¥79,319,000
	Total Leasable Floor Space (Note 2)	1,826.80 m ²

Total Leased Floor Space (Note 2)	975.67 m ²
Occupancy Ratio Based on Floor Space (Note 2)	53.4%

Notes:

1. The Investment Corporation intends to change the name of the property from New City Apartment Ningyocho II shortly after acquisition.
2. “Residential Address,” “Site Area,” “Construction,” and “Completion Date” are as per registered details.
3. As of January 16, 2005
4. The “Number of Tenants” is recorded as “1” where a single master lease has been executed with a sublessor company.
5. The “Total No. of Leased Apartments” represents the number of end-tenants to whom apartments are leased.
6. The “Forecast Annual Rental Revenue” comprises forecast annual rental revenue, common service fees, key money, parking and other related facility fee income. The appraisal value is calculated by deducting the amount of security deposits and other related operating income from gross revenue, calculated using the direct capitalization method, assuming an occupancy ratio of 96%.

Property 5: The New City Residence Shin Ochanomizu Building

(1) Reason for Acquisition

(i) Property Features

Construction of the New City Residence Shin Ochanomizu Building was completed in September 2004. It is located in close proximity to Ochanomizu and Jinbocho in the Kanda Awajicho district, an area traditionally renowned for its many secondhand bookstores and high student population. In addition, the area is home to the headquarters of some of Japan’s leading companies. In recent times, the Kanda Awajicho district has undergone significant development, particularly with the completion of the Jinbocho 1-Chome South District Urban Redevelopment Project. The property is conveniently located to the heart of Tokyo’s central business district. From the closest station, Awajicho, it is one stop by rail to Otemachi Station and two stops to Tokyo Station. Furthermore, the area boasts a leading university hospital. Given the area’s convenient location and infrastructure, NCRI anticipates the New City Residence Shin Ochanomizu Building will attract significant demand from those working in the CBD and at the hospital. Together with the previous acquisition of the New City Residence Ochanomizu Building in an adjoining district, and the proposed acquisition of the New City Residence Jinbocho Building (Property 7), the three buildings in close proximity are expected to generate cost benefits and efficiencies through improved management and marketing.

- (ii) **Housing Type and Floor Plan**
 Urban Family Type: 78%
 Family Type: 22%
 Floor Plan: 21 1DK (one bedroom with dining and kitchen) apartments, 7 1LDK (one bedroom with lounge, dining and kitchen) apartments, and 4 3LDK (three bedrooms with lounge, dining and kitchen) apartments

Note: For further details, please refer to Attachment 1., “Composition by Housing Type.”

(2) Property Profile (Scheduled for Acquisition)

Property Name	The New City Residence Shin Ochanomizu Building	
Type of Acquisition	Trust beneficiary interest	
Trustee	UFJ Trust Bank Limited	
Trust Maturity Date	September 30, 2010	
Acquisition Date	February 25, 2005 (Planned)	
Residential Address (Note 1)	2-3-3 Kanda Awajicho, Chiyoda-ku, Tokyo	
Access	Approximately two minutes on foot from both Awajicho Station on the Tokyo Metro Marunouchi Line and Ogawamachi Station on the Toei Subway Shinjuku Line	
Use	Apartment complex	
Site Area (Note 1)	Land	237.86 m ²
	Building	1,719.06 m ²
Construction (Note 1)	SRC B1/10F	
Type of Ownership	Proprietary ownership	
Completion Date (Note 1)	September 2004	
Acquisition Price	¥1,160 million	
Appraisal Method	Tokyo Joint Appraisal Office	
Appraisal Value	¥1,160 million	
Collateral	None	
Special Considerations	The property has an approved building capacity to lot ratio of 600% for the area with a borderline 20 meters from the roadway, and an approved building capacity to lot ratio of 500% for other areas.	
Tenant Details	Number of Tenants (Notes 2 & 3)	1
	Total No. of Leasable Apartments (Note 2)	32
	Total No. of Leased Apartments (Notes 2 & 4)	18
	Forecast Annual Rental Revenue (Note 5)	¥68,751,000
	Total Leasable Floor Space (Note 2)	1,308.38 m ²
	Total Leased Floor Space (Note 2)	763.04 m ²
	Occupancy Ratio Based on Floor Space (Note 2)	58.3%

Notes:

1. “Residential Address,” “Site Area,” “Construction,” and “Completion Date” are as per

registered details.

2. As of January 16, 2005
3. The “Number of Tenants” is recorded as “1” where a single master lease has been executed with a sublessor company.
4. The “Total No. of Leased Apartments” represents the number of end-tenants to whom apartments are leased.
5. The “Forecast Annual Rental Revenue” comprises forecast annual rental revenue, common service fees, key money, parking and other related facility fee income. The appraisal value is calculated by deducting the amount of security deposits and other related operating income from gross revenue, calculated using the direct capitalization method, assuming an occupancy ratio of 96%.

Property 6: The New City Residence Morishita Building

(1) Reason for Acquisition

(i) Property Features

The New City Residence Morishita Building is a newly constructed property completed in October 2004. All apartments within the complex face south and are a short walk to Morishita Station on the Toei Subway Shinjuku Line. The property provides convenient access to Otemachi (transfer at Ogawamachi Station on the Toei Subway Shinjuku Line), Shinjuku, and the recently developed Shiodome area. The property offers numerous competitive features, including design (all apartments facing south) and first-class security including double auto-locking system, elevator halls with TV security monitors, double-lock front doors and security sensors.

(ii) Housing Type and Floor Plan

Urban Family Type: 100%
Floor Plan: 18 1DK (one bedroom with dining and kitchen) apartments, 18 1LDK (one bedroom with lounge, dining and kitchen) apartments, and 2 2LDK (two bedrooms with lounge, dining and kitchen) apartments

Note: For further details, please refer to Attachment 1., “Composition by Housing Type.”

(2) Property Profile (Scheduled for Acquisition)

Property Name	The New City Residence Morishita Building
Type of Acquisition	Trust beneficiary interest
Trustee	UFJ Trust Bank Limited
Trust Maturity Date	October 15, 2010
Acquisition Date	February 25, 2005 (Planned)

Residential Address (Note 1)	1-3-1 Morishita, Koto-ku, Tokyo	
Access	One minute on foot from Morishita Station, Toei Subway Shinjuku and Oedo Lines	
Use	Apartment complex	
Site Area (Note 1)	Land	299.09 m ²
	Building	1,776.48 m ²
Construction (Note 1)	RC 11F	
Type of Ownership	Proprietary ownership	
Completion Date (Note 1)	October 2004	
Acquisition Price	¥985 million	
Appraisal Method	Tokyo Joint Appraisal Office	
Appraisal Value	¥985 million	
Collateral	None	
Special Considerations	None	
Tenant Details	Number of Tenants (Notes 2 & 3)	1
	Total No. of Leasable Apartments (Note 2)	38
	Total No. of Leased Apartments (Notes 2 & 4)	36
	Forecast Annual Rental Revenue (Note 5)	¥61,977,000
	Total Leasable Floor Space (Note 2)	1,383.90 m ²
	Total Leased Floor Space (Note 2)	1,288.95 m ²
	Occupancy Ratio Based on Floor Space (Note 2)	93.1%

Notes:

1. “Residential Address,” “Site Area,” “Construction,” and “Completion Date” are as per registered details.
2. As of January 16, 2005
3. The “Number of Tenants” is recorded as “1” where a single master lease has been executed with a sublessor company.
4. The “Total No. of Leased Apartments” represents the number of end-tenants to whom apartments are leased.
5. The “Forecast Annual Rental Revenue” comprises forecast annual rental revenue, common service fees, key money, parking and other related facility fee income. The appraisal value is calculated by deducting the amount of security deposits and other related operating income from gross revenue, calculated using the direct capitalization method, assuming an occupancy ratio of 96%.

Property 7: The New City Residence Jinbocho Building

(1) Reason for Acquisition

(i) Property Features

The New City Residence Jinbocho Building is a newly constructed property completed in October 2004. It is located in close proximity to Jinbocho, an area traditionally renowned for its many secondhand bookstores and high student population. The property is also situated to the east of an area that has recently undergone significant development,

particularly with the completion of the Jinbocho 1-Chome South District Urban Redevelopment Project. The New City Residence Jinbocho Building is conveniently located one stop from Otemachi from the closest station, Jinbocho, on the Tokyo Metro Hanzomon Line.

- (ii) Housing Type and Floor Plan
 Urban Family Type: 100%
 Floor Plan: 22 1DK (one bedroom with dining and kitchen) apartments, 11 1LDK+S (one bedroom with lounge, dining, kitchen and service room) apartments, and 32 2LDK (two bedrooms with lounge, dining and kitchen) apartments
 Note: For further details, please refer to Attachment 1., “Composition by Housing Type.”

(2) Property Profile (Scheduled for Acquisition)

Property Name	The New City Residence Jinbocho Building	
Type of Acquisition	Trust beneficiary interest	
Trustee	UFJ Trust Bank Limited	
Trust Maturity Date	October 28, 2010	
Acquisition Date	The planned date is July 29, 2005, however, the Investment Corporation maintains a separate agreement with the seller to acquire each subject property on July 29, 2005, or the date on which lease contracts in hand, including applications to occupy each subject property, exceed 70% of total leasable floor space, whichever is the earlier. (Note 6)	
Residential Address (Note 1)	3-7-4 Ogawamachi, Chiyoda-ku, Tokyo	
Access	Three minutes on foot from Jinbocho Station, Toei Subway Mita Line and Tokyo Metro Hanzomon Line	
Use	Apartment complex	
Site Area (Note 1)	Land	553.20 m ²
	Building	4,082.47 m ²
Construction (Note 1)	SRC 12F	
Type of Ownership	Proprietary ownership	
Completion Date (Note 1)	October 2004	
Acquisition Price	¥2,803 million	
Appraisal Method	Tanizawa Sogo Appraisal Co., Ltd.	
Appraisal Value	¥2,803 million	
Collateral	None	
Special Considerations	None	
Tenant Details	Number of Tenants (Notes 2 & 3)	1
	Total No. of Leasable Apartments (Note 2)	65
	Total No. of Leased Apartments (Notes 2 & 4)	5
	Forecast Annual Rental Revenue (Note 5)	¥171,735,000
	Total Leasable Floor Space (Note 2)	3,201.83 m ²

Total Leased Floor Space (Note 2)	230.24 m ²
Occupancy Ratio Based on Floor Space (Note 2)	7.2%

Notes:

1. "Residential Address," "Site Area," "Construction," and "Completion Date" are as per registered details.
2. As of January 16, 2005
3. The "Number of Tenants" is recorded as "1" where a single master lease has been executed with a sublessor company.
4. The "Total No. of Leased Apartments" represents the number of end-tenants to whom apartments are leased.
5. The "Forecast Annual Rental Revenue" comprises forecast annual rental revenue, common service fees, key money, parking and other related facility fee income. The appraisal value is calculated by deducting the amount of security deposits and other related operating income from gross revenue, calculated using the direct capitalization method, assuming an occupancy ratio of 95%.
6. Construction of the New City Residence Jinbocho Building was completed in October 2004. Accordingly, marketing efforts to attract prospective tenants have been limited. Given these circumstances, the Investment Corporation has also negotiated an acquisition date either six months after the date of purchase agreement execution or the date on which the occupancy rate exceeds 70%, whichever is the earlier. Moreover, leasing expenses from the date of purchase agreement execution up to the date of acquisition are under the seller's care.

Property 8: The New City Residence Ningyocho III Building

(1) Reason for Acquisition

(i) Property Features

Construction of the New City Residence Ningyocho III Building was completed in January 2005. The property is situated approximately three to four minutes on foot from Bakuroyokoyama Station on the Toei Subway Shinjuku Line, Higashi Nihonbashi Station on the Toei Subway Asakusa Line, Bakurocho Station on the JR Sobu Line, and approximately seven minutes on foot from Ningyocho Station on the Tokyo Metro Hibiya Line. In addition to the convenience of quick access to four railway stations serviced by four railway lines, the New City Residence Ningyocho III Building is located approximately 1.7 kilometers from Tokyo's central business district including Marunouchi, Otemachi, and Nihonbashi, thereby providing significant convenience to those commuting to work.

(ii) Housing Type and Floor Plan

Single Type:	65%
Urban Family Type:	35%

Floor Plan: 48 1K (one bedroom with kitchen) apartments, 6 1LDK (one bedroom with lounge, dining and kitchen) apartments, 3 2DK (two bedrooms with dining and kitchen) apartments, and 6 2LDK (two bedrooms with lounge, dining and kitchen) apartments

Note: For further details, please refer to Attachment 1., “Composition by Housing Type.”

(2) Property Profile (Scheduled for Acquisition)

Property Name	The New City Residence Ningyocho III Building (Note 1)	
Type of Acquisition	Trust beneficiary interest	
Trustee	UFJ Trust Bank Limited	
Trust Maturity Date	February 3, 2011	
Acquisition Date	The planned date is July 29, 2005, however, the Investment Corporation maintains a separate agreement with the seller to acquire each subject property on July 29, 2005, or the date on which lease contracts in hand, including applications to occupy each subject property, exceed 70% of total leasable floor space, whichever is the earlier. (Note 7)	
Residential Address (Note 1)	7-14 Tomizawa, Chuo-ku, Tokyo, and three other addresses	
Access	Approximately three minutes on foot from Bakuroyokoyama Station, Toei Subway Shinjuku Line	
Use	Apartment complex	
Site Area (Note 1)	Land	385.50 m ²
	Building	2,539.30 m ²
Construction (Note 1)	SRC 10F	
Type of Ownership	Proprietary ownership	
Completion Date (Note 1)	January 2005	
Acquisition Price	¥1,662 million	
Appraisal Method	Tokyo Joint Appraisal Office	
Appraisal Value	¥1,690 million	
Collateral	None	
Special Considerations	The property has an approved maximum building capacity to lot ratio of 600.3% pursuant to urban planning inducements applicable to Chuo ward.	
Tenant Details	Number of Tenants (Notes 2 & 3)	1
	Total No. of Leasable Apartments (Note 2)	63
	Total No. of Leased Apartments (Notes 2 & 4)	0
	Forecast Annual Rental Revenue (Note 5)	¥101,962,000
	Total Leasable Floor Space (Note 2)	2,117.46 m ²
	Total Leased Floor Space (Note 2)	0.00 m ²
	Occupancy Ratio Based on Floor Space (Note 2)	0.0%

Notes:

1. The Investment Corporation intends to change the name of the property from New City Apartment Ningyocho III shortly after acquisition.
2. "Residential Address," "Site Area," "Construction," and "Completion Date" are as per registered details.
3. As of January 16, 2005
4. The "Number of Tenants" is recorded as "1" where a single master lease has been executed with a sublessor company.
5. The "Total No. of Leased Apartments" represents the number of end-tenants to whom apartments are leased.
6. The "Forecast Annual Rental Revenue" comprises forecast annual rental revenue, common service fees, key money, parking and other related facility fee income. The appraisal value is calculated by deducting the amount of security deposits and other related operating income from gross revenue, calculated using the direct capitalization method, assuming an occupancy ratio of 96%.
7. Construction of the New City Residence Ningyocho III Building was completed in January 2005. Accordingly, marketing efforts to attract prospective tenants have been limited. Given these circumstances, the Investment Corporation has also negotiated an acquisition date either six months after the date of purchase agreement execution or the date on which the occupancy rate exceeds 70%, whichever is the earlier. Moreover, leasing expenses from the date of purchase agreement execution up to the date of acquisition are under the seller's care.

Property 9: The New City Residence Uehonmachi Building

(1) Reason for Acquisition

(i) Property Features

Construction of the New City Residence Uehonmachi Building was completed in July 2004. The property is located in an established prime residential district and is attracting considerable interest in line with recent trends toward apartment-style living, as individuals and families increasingly focus on convenient access to the Osaka city center and the full cultural, social and educational benefits that the city provides. Popular among singles, the property is also expected to attract strong demand from families.

(ii) Housing Type and Floor Plan

Urban Family Type:	25%
Family Type:	75%
Floor Plan:	10 1LDK (one bedroom with lounge, dining and kitchen) apartments, 3 1LDK+S (one bedroom with lounge, dining, kitchen and service room) apartments, 7 2LDK (two

bedrooms with lounge, dining and kitchen) and
10 3LDK (three bedrooms with lounge, dining
and kitchen) apartments

Note: For further details, please refer to Attachment 1., “Composition by
Housing Type.”

(2) Property Profile (Scheduled for Acquisition)

Property Name	The New City Residence Uehonmachi Building	
Type of Acquisition	Trust beneficiary interest	
Trustee	Mizuho Trust Bank Limited	
Trust Maturity Date	September 30, 2010	
Acquisition Date	The planned date is July 29, 2005, however, the Investment Corporation maintains a separate agreement with the seller to acquire each subject property on July 29, 2005, or the date on which lease contracts in hand, including applications to occupy each subject property, exceed 70% of total leasable floor space, whichever is the earlier. (Note 6)	
Residential Address (Note 1)	5-2-10 Uehonmachi, Tenoji-ku, Osaka-shi, Osaka-fu	
Access	Approximately three minutes on foot from Tanimachi 9-Chome Station, on the Sennichimae Subway Line, and Kamihoncho Station, on the Kintetsu Nara Osaka Line	
Use	Apartment complex	
Site Area (Note 1)	Land	424.21 m ²
	Building	2,339.22 m ²
Construction (Note 1)	RC 11F	
Type of Ownership	Proprietary ownership	
Completion Date (Note 1)	July 2004	
Acquisition Price	¥855 million	
Appraisal Method	Tokyo Joint Appraisal Office	
Appraisal Value	¥855 million	
Collateral	None	
Special Considerations	Included in the land site area identified above is a private road area of 57.19 square meters.	
Tenant Details	Number of Tenants (Notes 2 & 3)	1
	Total No. of Leasable Apartments (Note 2)	30
	Total No. of Leased Apartments (Notes 2 & 4)	6
	Forecast Annual Rental Revenue (Note 5)	¥61,332,000
	Total Leasable Floor Space (Note 2)	1,826.30 m ²
	Total Leased Floor Space (Note 2)	377.76 m ²
	Occupancy Ratio Based on Floor Space (Note 2)	20.7%

Notes:

1. “Residential Address,” “Site Area,” “Construction,” and “Completion Date” are as per registered details.
2. As of January 16, 2005

3. The “Number of Tenants” is recorded as “1” where a single master lease has been executed with a sublessor company.
4. The “Total No. of Leased Apartments” represents the number of end-tenants to whom apartments are leased.
5. The “Forecast Annual Rental Revenue” comprises forecast annual rental revenue, common service fees, key money, parking and other related facility fee income. The appraisal value is calculated by deducting the amount of security deposits and other related operating income from gross revenue, calculated using the direct capitalization method, assuming an occupancy ratio of 96%.
6. Construction of the New City Residence Kamihoncho Building was completed in July 2004. Accordingly, marketing efforts to attract prospective tenants have been limited. Given these circumstances, the Investment Corporation has also negotiated an acquisition date either six months after the date of purchase agreement execution or the date on which the occupancy rate exceeds 70%, whichever is the earlier. Moreover, leasing expenses from the date of purchase agreement execution up to the date of acquisition are under the seller’s care.

3. Seller Profile

Company Name	New City Real Estate Trading 6 Co., Ltd.
Head Office Address	29 th Floor Izumi Garden Tower, 1-6-1 Roppongi, Minato-ku, Tokyo
Representative	Yasuo Hirotsu
Capital	¥3 million
Principal Activities	Real estate purchase and sale, property leasing, real estate brokerage and property management services
Relationship with NCRI	New City Real Estate Trading 6 Co., Ltd. is a special purpose company (SPC) established under the guidance of New City Corporation K.K.

4. Related-Party Transactions

Execution of an agreement for the acquisition of trust beneficiary interests over the aforementioned properties with conditions precedent has been discussed and resolved in accordance with Article 15.2 of the Law Concerning Investment Trusts and Investment Corporations relating to third-party transactions, and the internal rules of the Investment Corporation’s Asset Management Company. Matters relating to third-party transactions have been discussed and resolved by the following entities:

- The Compliance Committee of the Asset Management Company (CBRE Residential Management K.K.)
- The Investment Committee of the Asset Management Company
- The Board of Directors of the Asset Management Company

5. Acquisition Schedule

Please refer to Item 1. (3) above.

6. Outlook

On February 25, 2005, the Investment Corporation plans to announce revisions to its operating forecasts for the fiscal periods ending August 31, 2005 and February 28, 2006, following acquisition of properties one through six identified above.

[Attachments]

Attachment 1: Composition by Housing Type

Attachment 2: Real Estate Portfolio after Property Acquisitions

- 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.
- URL: <http://www.ncrinv.co.jp>

Attachment 1

Composition by Housing Type

Housing Type	Housing Type Classification
Single Type (S)	<p><Projected Tenant Profile> Single residents</p> <p><Principal Geographic Region> Tokyo Metropolitan Area and principal provincial cities</p> <p><Preferred Location and Environment> Convenient rail access and close to commercial districts and workplaces</p> <p><Floor Plan and Area> 1R, 1K, or 1DK (Note 1)</p>
Urban Family Type (UF)	<p><Projected Tenant Profile> Those who prefer urban life and value convenience such as families comprising one to three persons, couples with no children (DINKS), single parent and child, and persons managing a small home office (SOHO)</p> <p><Principal Geographic Region> The 23 wards of Tokyo and central areas in each principal provincial city</p> <p><Preferred Location and Environment> Close to workplaces with convenient access to shopping, leisure, and cultural facilities</p> <p><Floor Plan and Area> 1DK, 1LDK, 2DK, or 2LDK (Note 1)</p>
Family Type (F)	<p><Projected Tenant Profile> The typical family comprising approximately two to four persons</p> <p><Principal Geographic Region> Tokyo Metropolitan Area and principal provincial cities</p> <p><Preferred Location and Environment> A pleasant environment, with convenient rail access close proximity to workplaces</p> <p><Floor Plan and Area> 2DK, 2LDK, 3DK, 3LDK, or 4LDK (Note 1) 2DK and 2LDK apartments of more than 40 square meters but less than 60 square meters located in the 23 wards of Tokyo are classified as Urban Family Type (Note 2).</p>
Premium Type (P)	<p><Projected Tenant Profile> Business entrepreneurs or specialists with a family structure comprising approximately one to four persons</p> <p><Principal Geographic Region> The 23 wards of Tokyo</p> <p><Preferred Location and Environment> High-quality residence located in a pleasant and upscale environment</p> <p><Floor Plan and Area> 1LDK, 2LDK, 3LDK, or 4LDK (Note 1)</p>

Notes:

- The Investment Corporation's Asset Management Company has determined the floor plan for each residence. Based on each floor plan and residence area, the Asset Management Company has further classified each residence by type, set forth in the table as follows.

1R	: Single room with combined kitchen residence.
1K	: Single room with separate kitchen residence.
1 (2 or 3) DK	: One, two or three bedroom with separate combined dining room and kitchen residence. Dining room and kitchen area of more than 4.5 jo*.
1 (2 or 3) DK+S	: One, two or three bedroom with separate combined dining room and kitchen, and service room residence
LDK+S	: Combined lounge, dining, kitchen residence with separate service room. Combined lounge, dining and kitchen area of more than 10 jo*.
1 (2, 3 or 4) LDK	: One, two, three, or four bedroom with combined lounge, dining and kitchen residence. Combined lounge, dining and kitchen area of more than 10 jo*. Alternatively, one, two, three or four bedroom with combined lounge and dining room residence and separate kitchen. Combined lounge and dining room area of more than 8 jo*.
1 (2 or 3) LDK+S	: One, two or three bedroom with combined lounge, dining and kitchen residence and separate service room.

* "Jo" is a Japanese unit of floor space representing one tatami mat.

Area Type	Max. 30m ²	Max. 40m ²	Max. 50m ²	Max. 60m ²	Max. 70m ²	Max. 80m ²	Max. 90m ²	Max. 100m ²	More than 100m ²
1R or 1K	S	S	S	S	—	—	—	—	—
1DK	S	UF	UF	UF	—	—	—	—	—
1LDK or LDK+S	—	UF	UF	UF	UF	P	P	P	P
2DK or 1DK+S	—	UF	UF/F	UF/F	F	—	—	—	—
2LDK or 1LDK+S	—	—	UF/F	UF/F	F	F	P	P	P
3DK or 2DK+S	—	—	F	F	F	—	—	—	—
3LDK or 2LDK+S	—	—	—	F	F	F	F	P	P
4LDK or 3LDK+S	—	—	—	—	—	F	F	F	P

- Based on anticipated tenant groups and lifestyles, the Asset Management Company has classified residences with a 2DK or 2LDK floor plan and an area of more than 40 m² but less than 60 m² into Urban Family type if the residence is located in the 23 wards of Tokyo, and into Family type if the residence is located in areas other than the 23 wards of Tokyo.

Real Estate Portfolio after Property Acquisitions

Area	Property No.	Property Name	Acquisition Date	Acquisition Price (Millions of yen)	Percent of Total
Central Tokyo (Five Central Tokyo Wards)	C-1	NCR Minami Aoyama	Dec. 15, 2004	3,783	5.1%
	C-2	NCR Nishi Azabu Twin Tower	Dec. 17, 2004	3,315	4.5%
	C-3	NCR Nishi Azabu	Dec. 15, 2004	3,143	4.2%
	C-4	NCR Ochanomizu	Dec. 17, 2004	2,300	3.1%
	C-5	NCR Sangubashi	Dec. 15, 2004	1,734	2.3%
	C-6	NCR Shinjyuku Ichibankan	Dec. 15, 2004	1,978	2.7%
	C-7	NCR Shitujyuku Nibankan	Dec. 15, 2004	889	1.2%
	C-8	NCR Nihonbashi East	Dec. 15, 2004	1,622	2.2%
	C-9	NCR Nihonbashi West	Dec. 15, 2004	1,480	2.0%
	C-10	NCR Ginza Twin I	Dec. 15, 2004	1,133	1.5%
	C-11	NCR Ginza Twin II	Dec. 15, 2004	968	1.3%
	C-12	NCR Harajuku	Dec. 17, 2004	1,220	1.6%
	C-13	NCR Mita	Dec. 15, 2004	986	1.3%
	C-14	NCR Yoyogi Uehara	Dec. 17, 2004	765	1.0%
	C-15	NCR Sendagaya	Dec. 17, 2004	695	0.9%
	C-16	NCR Shinjyuku 7 Chome	Dec. 17, 2004	626	0.8%
	C-17	NCR Ichigaya Sanaicho	Dec. 17, 2004	577	0.8%
	C-18	NCR Ningyocho I	Feb. 25, 2005	1,230	1.7%
	C-19	NCR Ningyocho II	Feb. 25, 2005	1,290	1.7%
	C-20	NCR Shin Ochanomizu	Feb. 25, 2005	1,160	1.6%
	C-21	NCR Jinbocho	Jul. 29, 2005	2,803	3.8%
	C-22	NCR Ningyocho III	Jul. 29, 2005	1,662	2.2%
	Subtotal		—	35,359	47.8%
23 Wards of Tokyo Excluding the Five Central Tokyo Wards	M-1	NCR Meguro Mita	Dec. 17, 2004	6,066	8.2%
	M-2	NCR Todoroki	Dec. 15, 2004	1,850	2.5%
	M-3	NCR Honjo Azumabashi	Dec. 15, 2004	1,122	1.5%
	M-4	NCR Kitazawa	Dec. 17, 2004	1,070	1.4%
	M-5	NCR Meguro	Dec. 17, 2004	1,050	1.4%
	M-6	NCR Senzokukoen	Dec. 17, 2004	921	1.2%
	M-7	NCR Kyodo	Dec. 15, 2004	715	1.0%
	M-8	NCR Monzennakacho	Dec. 15, 2004	524	0.7%
	M-9	NCR Denenchofu	Dec. 17, 2004	511	0.7%
	M-10	NCR Negishi	Dec. 17, 2004	356	0.5%
	M-11	NCR Kamiikedai	Dec. 17, 2004	238	0.3%
	M-12	NCR Otsuka	Feb. 25, 2005	1,290	1.7%
	M-13	NCR Morishita	Feb. 25, 2005	985	1.3%
	Subtotal		—	16,698	22.6%
Tokyo Metropolitan Area Excluding the 23 Wards of Tokyo	G-1	NCR Yokohama East	Dec. 15, 2004	6,753	9.1%
	G-2	NCR Funabashi Honcho	Dec. 17, 2004	1,083	1.5%
	G-3	SH Motosumiyoshi	Dec. 15, 2004	1,058	1.4%
	G-4	NCR Toyoda	Dec. 15, 2004	1,053	1.4%
	G-5	NCR Nishi Funabashi	Dec. 17, 2004	997	1.3%
	G-6	NCR Maihama	Dec. 17, 2004	844	1.1%
	G-7	NCR Ichikawa Myoden	Dec. 17, 2004	769	1.0%
	G-8	NCR Kumegawa	Dec. 17, 2004	715	1.0%
	G-9	NCR Urayasu	Dec. 17, 2004	653	0.9%
	G-10	NCR Minami Gyotoku I	Dec. 17, 2004	648	0.9%
	G-11	NCR Minami Gyotoku II	Dec. 17, 2004	447	0.6%
	G-12	NCR Nogeeyama	Dec. 17, 2004	469	0.6%
	G-13	NCR Minamirinkan	Dec. 17, 2004	456	0.6%

	G-14	NCR Shonan	Dec. 17, 2004	445	0.6%
	G-15	LM Fuchinobe Honcho	Dec. 17, 2004	222	0.3%
	G-16	LM Higashi Ome Daisan	Dec. 17, 2004	175	0.2%
	Subtotal			—	16,787
Other Regions	R-1	NCR Ohdori-koen	Dec. 17, 2004	726	1.0%
	R-2	Goshikiyama Heights	Dec. 15, 2004	720	1.0%
	R-3	NCR Nishikoen	Dec. 17, 2004	379	0.5%
	R-4	NCR Nishi Ohori	Dec. 17, 2004	258	0.3%
	R-5	NCR Kakogawa	Dec. 17, 2004	274	0.4%
	R-6	LM Maebashi Nishikatakai	Dec. 17, 2004	202	0.3%
	R-7	Aprire Tarumi	Feb. 25, 2005	1,710	2.3%
	R-8	NCR Uehonmachi	Jul. 29, 2005	855	1.2%
Subtotal			—	5,124	6.9%
Total			—	73,968	100.0%

Notes:

1. “Central Tokyo (Five Central Tokyo Wards)” comprises Minato ward, Shibuya ward, Shinjuku ward, Chiyoda ward, and Chuo ward. The “23 Wards of Tokyo Excluding the Five Central Tokyo Wards” comprises all 23 wards of Tokyo excluding Minato ward, Shibuya ward, Shinjuku ward, Chiyoda ward, and Chuo ward. “Tokyo Metropolitan Area Excluding the 23 Wards of Tokyo” comprises the Tokyo Prefecture excluding the 23 wards of Tokyo, and Kanagawa, Chiba, and Saitama prefectures. Other regions comprise all other areas excluding the aforementioned.
2. In the Property Name column above, “NCR” is the acronym for “New City Residence,” “LM” for “Lions Mansion,” and “SH” for “Sonnen Heim.”
3. The “Acquisition Price” is the amount identified in the purchase agreement and does not include related costs such as consumption tax.
4. The “Percent of Total” column details the acquisition price of each investment asset as a percentage of the total acquisition price for the Investment Corporation’s aggregate real estate portfolio. Figures are rounded to the nearest first decimal point.