

NEW CITY RESIDENCE

New City Residence Investment Corporation

February 25, 2005

For Immediate Release

New City Residence Investment Corporation
1-6-1 Roppongi, Minato-ku, Tokyo
Tetsuya Fujita, Executive Officer
(Securities Code: 8965)

Inquiries:
CBRE Residential Management K.K.
Yutaka Ono, Director and Chief Financial Officer
TEL: +81-3-6229-3860

Notice Concerning the Acquisition of Investment Assets

New City Residence Investment Corporation (“NCRI” or “the Investment Corporation”) today announced its acquisition of trust beneficiary interests in seven properties comprising the following: Aprire Tarumi, New City Residence Otsuka, New City Residence Nihonbashi Ningyocho I, New City Residence Nihonbashi Ningyocho II, New City Residence Shin Ochanomizu, New City Residence Morishita, and New City Residence Uehonmachi. The Investment Corporation’s intention to acquire the aforementioned properties was first disclosed in the press release “Notice Concerning the Acquisition of Investment Assets,” dated January 27, 2005.

1. Acquisition Details

Property 1:

Name: Aprire Tarumi
Acquisition Price: ¥1,710 million

Property 2:

Name: New City Residence Otsuka
Acquisition Price: ¥1,290 million

Property 3:

Name: New City Residence Nihonbashi Ningyocho I
Acquisition Price: ¥1,230 million

Property 4:

Name: New City Residence Nihonbashi Ningyocho II
Acquisition Price: ¥1,290 million

Property 5:

Name: New City Residence Shin Ochanomizu
Acquisition Price: ¥1,160 million

Property 6:

Name: New City Residence Morishita
Acquisition Price: ¥985 million

Property 7:

Name: New City Residence Uehonmachi*
Acquisition Price: ¥855 million

Note: In a press release “Notice Concerning the Acquisition of Investment Assets,” dated January 27, 2005, the Investment Corporation announced its intention to acquire New City Residence Uehonmachi on July 27, 2005 or the date on which lease contracts in hand, including applications to occupy the subject property, exceed 70% of total leasable floor space, whichever is the earlier. On February 24, 2005, the Investment Corporation confirmed an occupancy rate for New City Residence Uehonmachi in excess of 70%. Accordingly, NCRI acquired the subject property on February 25, 2005.

Please refer to NCRI’s press release dated January 27, 2005, “Notice Concerning the Acquisition of Investment Assets,” for details. In this press release the Investment Corporation identified its intention to change the names of New City Residence Ningyocho I, New City Residence Ningyocho II, and New City Residence Ningyocho III, to New City Residence Nihonbashi Ningyocho I, New City Residence Nihonbashi Ningyocho II, and New City Residence Nihonbashi Ningyocho III, respectively.

2. Operating Environment Outlook

Please refer to the separate press release dated February 25, 2005, “Notice Concerning Revisions to Operating Forecasts for the Fiscal Periods Ending August 31, 2005 and February 28, 2006,” for details.

[Attachments]

1. Real Estate Portfolio After Property Acquisitions
2. Investment Property Photographs

- 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

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	5.4%
	C-2	NCR Nishi Azabu Twin Tower	Dec. 17, 2004	3,315	4.8%
	C-3	NCR Nishi Azabu	Dec. 15, 2004	3,143	4.5%
	C-4	NCR Ochanomizu	Dec. 17, 2004	2,300	3.3%
	C-5	NCR Sangubashi	Dec. 15, 2004	1,734	2.5%
	C-6	NCR Shinjyuku Ichibankan	Dec. 15, 2004	1,978	2.8%
	C-7	NCR Shinujyuku Nibankan	Dec. 15, 2004	889	1.3%
	C-8	NCR Nihonbashi East	Dec. 15, 2004	1,622	2.3%
	C-9	NCR Nihonbashi West	Dec. 15, 2004	1,480	2.1%
	C-10	NCR Ginza Twin I	Dec. 15, 2004	1,133	1.6%
	C-11	NCR Ginza Twin II	Dec. 15, 2004	968	1.4%
	C-12	NCR Harajuku	Dec. 17, 2004	1,220	1.8%
	C-13	NCR Mita	Dec. 15, 2004	986	1.4%
	C-14	NCR Yoyogi Uehara	Dec. 17, 2004	765	1.1%
	C-15	NCR Sendagaya	Dec. 17, 2004	695	1.0%
	C-16	NCR Shinjyuku 7 Chome	Dec. 17, 2004	626	0.9%
	C-17	NCR Ichigaya Sanaicho	Dec. 17, 2004	577	0.8%
	C-18	NCR Nihonbashi Ningyocho I	Feb. 25, 2005	1,230	1.8%
	C-19	NCR Nihonbashi Ningyocho II	Feb. 25, 2005	1,290	1.9%
	C-20	NCR Shin Ochanomizu	Feb. 25, 2005	1,160	1.7%
	Subtotal	—	30,894	44.4%	
23 Wards of Tokyo Excluding the Five Central Tokyo Wards	M-1	NCR Meguro Mita	Dec. 17, 2004	6,066	8.7%
	M-2	NCR Todoroki	Dec. 15, 2004	1,850	2.7%
	M-3	NCR Honjo Azumabashi	Dec. 15, 2004	1,122	1.6%
	M-4	NCR Kitazawa	Dec. 17, 2004	1,070	1.5%
	M-5	NCR Meguro	Dec. 17, 2004	1,050	1.5%
	M-6	NCR Senzokukoen	Dec. 17, 2004	921	1.3%
	M-7	NCR Kyodo	Dec. 15, 2004	715	1.0%
	M-8	NCR Monzennakacho	Dec. 15, 2004	524	0.8%
	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	1.9%
	M-13	NCR Morishita	Feb. 25, 2005	985	1.4%
	Subtotal	—	16,698	24.0%	
Tokyo Metropolitan Area Excluding the 23 Wards of Tokyo	G-1	NCR Yokohama East	Dec. 15, 2004	6,753	9.7%
	G-2	NCR Funabashi Honcho	Dec. 17, 2004	1,083	1.6%
	G-3	SH Motosumiyoshi	Dec. 15, '004	1,058	1.5%
	G-4	NCR Toyoda	Dec. 15, 2004	1,053	1.5%
	G-5	NCR Nishi Funabashi	Dec. 17, 2004	997	1.4%
	G-6	NCR Maihama	Dec. 17, 2004	844	1.2%
	G-7	NCR Ichikawa Myoden	Dec. 17, 2004	769	1.1%
	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	0.7%
	G-13	NCR Minamirinkan	Dec. 17, 2004	456	0.7%
	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	0.3%
	Subtotal		—	16,787	24.2%
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	0.4%
	R-5	NCR Kakogawa	Dec. 17, 2004	274	0.4%
	R-6	LM Maebashi Nishikataikai	Dec. 17, 2004	202	0.3%
	R-7	Aprire Tarumi	Feb. 25, 2005	1,710	2.5%
	R-8	NCR Uehonmachi	Feb. 25, 2005	855	1.2%
	Subtotal		—	5,124	7.4%
Total			—	69,503	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 all areas within Tokyo Prefecture excluding the 23 wards of Tokyo, and Kanagawa, Chiba, and Saitama prefectures. Other Regions comprises 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 to the total acquisition price for the Investment Corporation’s aggregate real estate portfolio. Figures are rounded to the nearest first decimal point.

Attachment 2

Investment Property Photographs

1. Aprire Tarumi
2. New City Residence Otsuka
3. New City Residence Nihonbashi Ningyocho I
4. New City Residence Nihonbashi Ningyocho II
5. New City Residence Shin Ochanomizu
6. New City Residence Morishita
7. New City Residence Uehonmachi