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For Immediate Release

New City Residence Investment Corporation
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Notice Concerning the Acquisition of Investment Assets

New City Residence Investment Corporation (“NCRI” 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 Two Properties

(Millions of yen)

	Property Name	Projected Acquisition Price (Note 1)
1	NCR Wakabayashi koen (Note 2)	970
2	NCR Asakusabashi (Note 2)	870
	Total	1,840

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 1 and 2 identified in the table above are Grande Court Wakabayashi and Spazio Asakusabashi, respectively. The Investment Corporation intends to change the names of each building to those identified in the above table shortly after acquisition.

(2) Trust Beneficiary Interest Agreement Execution Dates (Planned)

Property 1: March 25, 2005

Property 2: March 25, 2005

(3) Acquisition Dates (Planned)

Property 1: April 21, 2005

Property 2: April 19, 2005

(4) Seller

Property 1: Odakyu Real Estate Co., Ltd.

Property 2: PROSS Co., Ltd.

Note: 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: NCR Wakabayashi koen

(1) Reason for Acquisition

(i) Property Features

The property is located in close proximity to Wakabayashi Park and Karasuyama Green Path, in a prime and quiet residential area. The building is situated on a corner plot with a south-west aspect. The majority of condominiums that comprise the complex face south-east. The property offers considerable competitive advantage. Each condominium boasts a front aspect of more than 8.3 meters and is designed to promote a sense of space and freedom.

(ii) Housing Type and Floor Plan

Urban Family Type: 35%

Family Type: 65%

Floor Plan: 2 1LDK (one bedroom with lounge, dining and kitchen) apartments, 17 2LDK (two bedrooms with lounge, dining and kitchen) apartments, 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	NCR Wakabayashi koen
Type of Acquisition (Note 1)	Trust beneficiary interest
Trustee (Note 1)	Mizuho Trust Bank Limited

Trust Maturity Date		TBD
Acquisition Date (Planned)		April 21, 2005
Address (Note 2)	Residential	4-39-4 Wakabayashi, Setagaya-ku, Tokyo
	Lot	4-334-1 Wakabayashi, Setagaya-ku, Tokyo
Access		Approximately 6 minutes on foot from Wakabayashi Station, Tokyu Setagaya Line
Use (Note 3)		Apartment complex
Site Area (Note 2)	Land	800.22 m ²
	Building	1,809.79 m ²
Construction (Note 2)		RC 4F
Type of Ownership (Note 8)		Building: Compartmentalized ownership Land: Proprietary ownership
Completion Date (Note 2)		February 2004
Acquisition Price		¥970 million
Appraisal Method		Appraisal by Daiwa Real Estate Appraisal Corporation
Appraisal Value		¥971 million
Collateral		None
Special Considerations		None
Tenant Details	Number of Tenants (Note 5)	1
	Total No. of Leasable Apartments (Note 4)	23
	Total No. of Leased Apartments (Notes 4 & 6)	22
	Forecast Annual Rental Revenue (Note 7)	¥60,093,749
	Total Leasable Floor Space (Note 4)	1,425.43 m ²
	Total Leased Floor Space (Note 4)	1,368.38 m ²
	Occupancy Ratio Based on Floor Space (Note 4)	96.0%

Notes:

1. The seller and trustee intend to execute a real estate investment trust agreement in connection with the subject property prior to the scheduled date of acquisition. The Investment Corporation intends to acquire a trust beneficiary interest in the aforementioned trust agreement.
2. "Address," "Site Area," "Construction," and "Completion Date" are as per registered details.
3. The principal use has been identified.
4. Data as of March 23, 2005.
5. The "Number of Tenants" is recorded as "1" where a single master lease has been executed with a sublessor company. Plans are in place to execute a master lease agreement with New City Estate Service K.K. ("NCES") as sublessee prior to the scheduled acquisition date. The "Number of Tenants" noted above is the number after master lease execution.
6. The "Total No. of Leased Apartments" noted above represents the number of apartments leased to end tenants.
7. 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 using the direct capitalization method applied to the earnings taken from gross revenue, assuming an occupancy ratio of 95%.
8. "Type of Ownership" is comprised of compartmentalized ownership of the building and

proprietary ownership of land. The Investment Corporation intends to acquire all exclusive use areas. Accordingly, there are no other compartmentalized owners.

Property 2: NCR Asakusabashi

(1) Reason for Acquisition

(i) Property Features

The property is an urban family type condominium complex located close to Asakusabashi Station on the JR Sobu Line and the Toei Asakusa Subway Line. In addition to the benefit of convenient access to major rail facilities, the complex is situated close to Tokyo's city center. The property also offers significant competitive advantage with a standard ceiling height of 2.8 meters and quality fittings and interior. All condominiums are fitted with air conditioning and television connection.

(ii) Housing Type and Floor Plan

Urban Family Type: 100%
 Floor Plan: 8 1DK (one bedroom with dining and kitchen) apartments, 8 2DK (two bedrooms with dining and kitchen) apartments, and 16 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	NCR Asakusabashi	
Type of Acquisition (Note 1)	Trust beneficiary interest	
Trustee (Note 1)	Mizuho Trust Bank Limited	
Trust Maturity Date	TBD	
Acquisition Date (Planned)	April 19, 2005	
Address (Note 2)	Residential	2-16-21 Yanagibashi, Taito-ku, Tokyo
	Lot	2-11-7 Yanagibashi, Taito-ku, Tokyo
Access	Approximately 4 minutes on foot from Asakusabashi Station, Toei Asakusa Subway Line	
Use (Note 3)	Apartment complex	
Site Area (Note 2)	Land	447.57 m ²
	Building	1,701.28 m ²
Construction (Note 2)	SRC 9F	
Type of Ownership (Note 8)	Building: Compartmentalized ownership Land: Proprietary ownership	
Completion Date (Note 2)	January 2005	
Acquisition Price	¥870 million	
Appraisal Method	Appraisal by Chuo Real Estate Appraisal Co., Ltd.	
Appraisal Value	¥886 million	

Collateral (Note 9)		Yes
Special Considerations		None
Tenant Details	Number of Tenants (Note 5)	1
	Total No. of Leasable Apartments (Note 4)	32
	Total No. of Leased Apartments (Notes 4 & 6)	0
	Forecast Annual Rental Revenue (Note 7)	¥61,649,000
	Total Leasable Floor Space (Note 4)	1,537.84 m ²
	Total Leased Floor Space (Note 4)	0 m ²
	Occupancy Ratio Based on Floor Space (Note 4)	0%

Notes:

1. The seller and trustee intend to execute a real estate investment trust agreement in connection with the subject property prior to the scheduled date of acquisition. The Investment Corporation intends to acquire a trust beneficiary interest in the aforementioned trust agreement.
2. "Address," "Site Area," "Construction," and "Completion Date" are as per registered details.
3. The principal use has been identified.
4. Data as of March 23, 2005.
5. The "Number of Tenants" is recorded as "1" where a single master lease has been executed with a sublessor company. Plans are in place to execute a master lease agreement with NCES as sublessee prior to the scheduled acquisition date. The "Number of Tenants" noted above is the number after master lease execution.
6. The "Total No. of Leased Apartments" noted above represents the number of apartments leased to end tenants.
7. 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%.
8. "Type of Ownership" is comprised of compartmentalized ownership of the building and proprietary ownership of land. The Investment Corporation intends to acquire all exclusive use areas. Accordingly, there are no other compartmentalized owners.
9. A mortgage is currently registered over the land portion with Tokyo City Shinkin Bank as the mortgagor and the seller as debtor. The value of the mortgage is a maximum amount of ¥280 million. It is the responsibility of the seller to discharge and deregister the mortgage prior to the scheduled acquisition date.

3. Seller Profile

Company Name	Odakyu Real Estate Co., Ltd.
Head Office Address	1-47-1 Hatsudai, Shibuya-ku, Tokyo
Representative	Kazunori Tohyama
Capital	¥2,140 million
Principal Activities	Real estate sales and leasing
Relationship with NCRI	None

Company Name	PROSS Co., Ltd.
Head Office Address	2-35-12 Ningyocho, Nihonbashi, Chuo-ku, Tokyo
Representative	Yoshiyuki Miyazaki
Capital	¥300 million
Principal Activities	Condominium sales and leasing
Relationship with NCRI	None

4. Related-Party Transactions

In connection with properties 1 and 2, the Investment Corporation plans to execute a property management agreement with NCES. NCES is also sublessee for both properties. NCES is defined as a third-party pursuant to Article 15.2 of the Investment Trust and Investment Corporation Law relating to third-party transactions. Furthermore, and in accordance with the internal rules of the Investment Corporation as they relate to asset management, it is intended that the following entities discuss and determine matters in connection with the property management agreement and the sublease agreement:

- 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) preceding

6. Outlook

The impact of the acquisition of the aforementioned properties on the Investment Corporation's operating conditions for the fiscal period ending August 31, 2005 is considered to be immaterial. Accordingly, there are no revisions to its previously announced operating forecasts.

[Attachments]

- Attachment 1: Composition by Housing Type
- Attachment 2: Real Estate Portfolio after Planned Property Acquisitions
- Attachment 3: Photographs of the External Façade of Properties Planned for Acquisition.

- 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 of the Construction Papers for the Ministry of Land, Infrastructure and Transport.
- URL: <http://www.ncrinv.co.jp>

Attachment 1

Composition by Housing Type

The Investment Corporation's Asset Management Company has classified investment properties into the following housing types.

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:

1. 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, or about two square meters.

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

2. 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.

Attachment 2

Real Estate Portfolio after Planned 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	5.0%
	C-2	NCR Nishi Azabu Twin Tower	Dec. 17, 2004	3,315	4.4%
	C-3	NCR Nishi Azabu	Dec. 15, 2004	3,143	4.1%
	C-4	NCR Ochanomizu	Dec. 17, 2004	2,300	3.0%
	C-5	NCR Sangubashi	Dec. 15, 2004	1,734	2.3%
	C-6	NCR Shinjyuku Ichibankan	Dec. 15, 2004	1,978	2.6%
	C-7	NCR Shinujyuku Nibankan	Dec. 15, 2004	889	1.2%
	C-8	NCR Nihonbashi East	Dec. 15, 2004	1,622	2.1%
	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	1.6%
	C-19	NCR Ningyocho II	Feb. 25, 2005	1,290	1.7%
	C-20	NCR Shin Ochanomizu	Feb. 25, 2005	1,160	1.5%
	C-21	NCR Jinbocho	Jul. 29, 2005	2,803	3.7%
	C-22	NCR Ningyocho III	Jul. 29, 2005	1,662	2.2%
	Subtotal		—	35,359	46.6%
23 Wards of Tokyo Excluding the Five Central Tokyo Wards	M-1	NCR Meguro Mita	Dec. 17, 2004	6,066	8.0%
	M-2	NCR Todoroki	Dec. 15, 2004	1,850	2.4%
	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	0.9%
	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%
	M-14	NCR Wakabayashi koen	Apr. 21, 2005	970	1.3%
	M-15	NCR Asakusabashi	Apr. 19, 2005	870	1.1%
	Subtotal		—	18,538	24.5%
Tokyo Metropolitan Area Excluding the 23 Wards of Tokyo	G-1	NCR Yokohama East	Dec. 15, 2004	6,753	8.9%
	G-2	NCR Funabashi Honcho	Dec. 17, 2004	1,083	1.4%
	G-3	SH Motosumiyoshi	Dec. 15, '004	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	0.9%
	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	22.1%
Other Regions	R-1	NCR Ohdori-koen	Dec. 17, 2004	726	1.0%
	R-2	Goshikiyama Heights	Dec. 15, 2004	720	0.9%

	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	1.1%
		Subtotal	—	5,124	6.8%
		Total	—	75,808	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 the aforementioned five wards. “Tokyo Metropolitan Area Excluding the 23 Wards of Tokyo” comprises 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 “Zonnen Heim.”
3. The “Acquisition Price” is the amount identified in the trust beneficiary interest purchase agreement with conditions precedent, 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.

Attachment 3: Photographs of the External Façade of Properties Planned for Acquisition.

NCE Wakabayashi koen



NCR Asakusabashi



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