

August 16, 2005

For Immediate Release

New City Residence Investment Corporation
1-10-6 Roppongi, Minato-ku, Tokyo
Tetsuya Fujita, Executive Officer
(Securities Code: 8965)

Inquiries:
CBRE Residential Management K.K.
Yoetsu Takizawa
General Manager Planning & Administration
TEL: +81-3-6229-3860

Notice Concerning Impact of the Earthquake Offshore of Miyagi Prefecture

At approximately 11:46 a.m. on August 16, 2005, an earthquake (approximate depth of 20 km) was reported offshore of Miyagi Prefecture registering a lower 6 (magnitude 6.8 on the Richter Scale) on the Japanese seismic intensity scale of 7. The earthquake had no impact on New City Residence Investment Corporation's ("NCRI's") investment property holdings. Accordingly, NCRI does not anticipate any change in its operating condition or performance.

In the event NCRI uncovers damage to its investment property holdings that may impact on its operating condition or performance, details will be promptly disclosed.