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For Immediate Release

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Notice Concerning Results of Independent Investigation on “Falsification of Structural Calculations by Chiba Prefecture Architectural Design Office”

New City Residence Investment Corporation (NCR) announced in the “Notice Concerning Falsification of Structural Calculations by Chiba Prefecture Architectural Design Office” posted on its website on November 18, 2005 that of the 21 properties where falsification was discovered NCR does not own any of the concerned properties. NCR also announced that it is conducting its own independent investigation of the other approximately 90 properties that potentially have employed falsified data.

NCR announces that our investigation confirmed that the owners, architects and builders mentioned in the “Notice Concerning Properties with Falsified Structural Calculations” dated November 21, 2005 released by the Ministry of Land, Infrastructure and Transport (MLIT) have no involvement with any of the properties owned by NCR.

In addition, properties owned by NCR have due diligence conducted in the acquisition process. Earthquake risk analyses are conducted by a third-party specialist organization (OYO RMS Corporation) and earthquake resistance assessed during this process. OYO RMS implements earthquake risk analyses based on materials provided by the building owners and managers. Its analyses includes a design drawing review and refers to ground survey data in assessing the earthquake resistance. NCR makes the final decision to acquire a property after having conducted appropriate structural verifications and earthquake risk analyses.

Furthermore, the results of earthquake risk analyses are disclosed at the time of acquisition and at the end of every fiscal period as the probable maximum loss for individual properties as well as all properties owned by NCR.

(Note) The probable maximum loss refers to the probability of the maximum loss from an earthquake. The probable maximum loss is based on the content of the earthquake risk analysis report prepared by OYO RMS and is the probability of the maximum loss that may result from an earthquake computed by OYO RMS using the natural disaster risk analysis software RiskLink® as having about a 0.21% annual exceedance probability of occurring (occurrence once every 475 years is equivalent to a 10% exceedance probability of occurring within 50 years).

This English language notice is a translation of the Japanese language notice dated November 18, 2005 and was prepared solely for the convenience of, and reference by, overseas investors. NCRI makes no warranties as to its accuracy or completeness.