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For Immediate Release

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Notice Concerning the Proposed Acquisition of Investment Asset

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

1. Acquisition Details

(1) Trust Beneficiary Interest in Real Estate Property Trust Assets

(Millions of yen)

Property Name		Projected Acquisition Price (Note 1)
1	New City Residence Kaname-cho	1,360
2	New City Residence Ginza	4,000
3	New City Residence Nihonbashi Suitengu	3,332
4	New City Residence Minami Azabu East	1,260
Total		9,952

Notes:

1. The current names of properties identified in the table above are New City Apartments Kaname-cho, Secom Ginza, New City Apartments Nihonbashi Suitengu II, and Pacific Apartment Minami Azabu East respectively. The Investment Corporation intends to change the names of each building to those identified in the above table shortly after acquisition.
2. The projected acquisition price is exclusive of property tax, urban planning tax, consumption tax, and local consumption tax. Figures less than million yen are rounded.

(2) Acquisition terms for the four properties to be acquired

In regards to properties 1 to 3 of the four properties scheduled to be acquired, the following termination conditions were established in consideration of the need to conduct due diligence of these managed properties and NCRI intends to conclude a beneficiary interest in trust sales and purchase agreement with termination conditions to secure the investment opportunity on December 22, 2005. In addition, NCRI has established an acquisition condition of an occupancy (the ratio of the total leased area of leased units versus the total leasable area; hereafter, occupancy) of 50% or above for properties 1 and 2, and 70% or above for property 3. In addition, the leasing expenses from the date the agreement was concluded to the property acquisition shall be borne by the seller.

In regards to property 4, NCRI plans to acquire the property on December 26, 2005. However, the beneficiary interest in trust sales and purchase agreement stipulates that all of the residential units and parking spots vacant at the point of acquisition will be leased by an affiliate of the seller at lease rate terms agreed to by NCRI for six months commencing from January 1, 2006. In addition, NCRI shall assume leases with tenants to which units have been sublet by the seller's affiliate under lease conditions agreed to by NCRI after the six months have elapsed.

[Conditions Precedent]

Acquisition of properties 1, 2 and 3 is subject to due diligence and the absence of substantial matters that may affect projected acquisition prices.

(3) Acquisition Dates

Properties 1, 2 and 3:

- i) The date of trust beneficiary interests (conditions precedent) purchase agreement execution is scheduled for December 22, 2005.
- ii) The acquisition (settlement) date is subject to fulfillment of the conditions precedent.

Properties 1 :

January 11, 2006 (planned)

Properties 2 and 3

June 22, 2006 (planned)

The Investment Corporation maintains a separate agreement with the seller to acquire each subject property on a date on which lease contracts in hand, including applications to occupy each subject property, exceed 50% for property 2 and 70% for property 3 of total leasable floor space, whichever is the earlier.

Property 4:

- i) The date of trust beneficiary interests purchase agreement execution is scheduled for December 22, 2005.
- ii) The acquisition (settlement) date: December 26, 2005(planned)

(4) Sellers

Property 1, 2 and 3: Yu) New City Real Estate Trading Seven
Property 4: PDM SPC
(Please refer to 3. "Seller Profile" below for details)

(5) Financing Details

The Investment Corporation intends to acquire the investment property utilizing cash on hand and debt financing.

2. Property Details

1) Property Name: New City Residence Kaname-cho

(1) Reason for Acquisition

(i) Property Features

This condominium is comprised primarily of single type units and is a one-minute walk from Kanamecho Station on the Tokyo Metro Yurakucho Line. The property is located in a district with commercial and residential properties intermingled and there are many medium- to high-rise retail and office buildings and condominiums in the surrounding area. Use of the subway in the concerned area means that Ikebukuro Station can be accessed in about 3 minutes and Tokyo Station in about 25 minutes, proof of the excellent access to various places in the city center. The area within a walk features sundries stores, branches of various financial institutions, Rikkyo University and other educational facilities. It also provides shopping and many other daily lifestyle conveniences along with work and school commutes. This area can expect brisk rental demand supported by people wanting to live near the city center and those who commute to central Tokyo but would like better transportation convenience. This property is also a new property aiming for a luxurious presentation both in internal fittings and facility specifications and NCRI is convinced that it can maintain property competitiveness over the medium to long-term.

(ii) Housing Type and Floor Plan

Single Type: 100%
 Floor Plan: 73 1K (one bedroom) apartments

Note: For further details, please refer to Attachment 3., “Composition by Housing Type.”

(2) Property Profile (Scheduled for Acquisition)

Property Name	NCR Kaname-cho	
Type of Acquisition (Note 1)	Trust beneficiary interest	
Trustee (Note 1)	Mitsubishi UFJ Trust and Banking Corporation	
Trust Maturity Date(Note1)	January 31, 2014	
Acquisition Date (Planned)	January 11, 2006	
Address (Note 2)	Residential	5-26-10 Nishi-Ikebukuro, Toshima-ku, Tokyo
	Lot	5-6-17 Nishi-Ikebukuro, Toshima-ku, Tokyo
Access	Approximately 1 minute walk from Kaname-cho station on Yurakucho Line.	
Use (Note 3)	Apartment complex	
Site Area (Note 2)	Land	407.54m ²
	Building	1,787.61m ²
Construction (Note 2)	RC13F	
Probable maximum loss(Note 4)	16.5 %	
Type of Ownership	Proprietary ownership	

Completion Date (Note 2)	August 2005	
Acquisition Price	¥ 1,360 million	
Appraisal Method	Appraisal by Mitsui Fudosan Hanbai	
Appraisal Value	¥ 1,360 million	
Collateral	None	
Special Considerations	None	
Tenant Details	Number of Tenants (Note 5)	1
	Total No. of Leasable Apartments (Note 6)	73
	Total No. of Leased Apartments (Notes 6 & 7)	63
	Total Leasable Floor Space (Note 6)	1,624.06 m ²
	Total Leased Floor Space (Note 6&7)	1,401.54m ²
	Occupancy Ratio Based on Floor Space (Note 6)	86.3%

2) Property Name: New City Residence Ginza

(1) Reason for Acquisition

(i) Property Features

This condominium is comprised primarily of single and urban family-oriented units and is located about a 4-minute walk from Tsukiji Shijo Station on the Toei Oedo Line. The property is in the commercial district south of Chuo Avenue in the Ginza district and is also within a 7-minute walk of Higashi Ginza Station on the Toei Asakusa Line and Tokyo Metro Hibiya Line. The property provides good access not only to mass transit but also to convenience facilities such as shops, hospitals and public institutions. Therefore the region features strong rental demand centering on use by singles and DINKs (double income no kids) attracted by the convenience, or use as a SOHO. Since the property was built only two months ago and boasts strong interior and facility specifications, it is expected to maintain its competitiveness over the medium- to long-term.

(ii) Housing Type and Floor Plan

Single Type: 37%
Urban Family Type: 63%
Floor Plan: 44 1R (one bedroom) apartments, 12 1DK (one bedroom with dining and kitchen) apartments, 27 1LDK (one bedroom with lounge, dining and kitchen) apartments, 13 1LDK+S (one bedroom with lounge, dining, kitchen and service room) apartments.

Note: For further details, please refer to Attachment 3., “Composition by Housing Type.”

(2) Property Profile (Scheduled for Acquisition)

Property Name	NCR Ginza
Type of Acquisition (Note 1)	Trust beneficiary interest
Trustee (Note 1)	Mitsubishi UFJ Trust and Banking Corporation
Trust Maturity Date(Note1)	January 31, 2014

Acquisition Date (Planned)	NCRI shall acquire the property on the earlier of June 22, 2006 (scheduled) or on a date separately agreed to with the seller after NCRI confirms that the occupancy (the ratio of the total leased area of leased units versus the total leasable area) has topped 70% (Note 8).	
Address (Note 2)	Residential	8-18-2 Ginza Chuo-ku, Tokyo
	Lot	8-215-4,25 Ginza Chuo-ku, Tokyo
Access	Approximately 4 minutes walk from Tsukiji-Ichiba on Oedo Line.	
Use (Note 3)	Apartment complex	
Site Area (Note 2)	Land	491.03m ²
	Building	4,386.07m ²
Construction (Note 2)	RC14F	
Probable maximum loss(Note 4)	6.2%	
Type of Ownership	Proprietary ownership	
Completion Date (Note 2)	October 2005	
Acquisition Price	¥ 4 billion	
Appraisal Method	Appraisal by Mitsui Fudosan Hanbai	
Appraisal Value	¥ 4 billion	
Collateral	None	
Special Considerations	None	
Tenant Details	Number of Tenants (Note 5)	1
	Total No. of Leasable Apartments (Note 6)	96
	Total No. of Leased Apartments (Notes 6 & 7)	0
	Total Leasable Floor Space (Note 6)	3,494.42 m ²
	Total Leased Floor Space (Note 6&7)	0.00m ²
	Occupancy Ratio Based on Floor Space (Note 6)	0.0%

3) Property Name: New City Residence Nihonbashi Suitengu

(1) Reason for Acquisition

(i) Property Features

This condominium is comprised primarily of urban family units and is an about 7-minute walk from Kayabacho Station on the Tokyo Metro Hibiya and Tozai Lines and about a 5-minute walk from Suitengumae Station on the Tokyo Metro Hanzomon Line. This property is located in the northeastern part of Chuo Ward. This region is recognized to center on Nihonbashi Kakigaracho and Nihonbashi Koamicho within walking distance of Suitengumae Station. During the Meiji and Taisho eras the Suiten Shrine (Suitengu), which is known as the prayer deity for safe deliveries in childbirth, moved here and the shrine that became popular with visitors from surrounding areas when the city train began service along Ningyocho Street. However, it developed as an office district after the war, but recently office tenants have left for areas with higher business concentration. These developments have led to a rush in condominium development, in part because of household demand related to returning to central Tokyo to live, and governmental factors related to the tax system and district planning (FAR deregulation, etc.) concerning home construction. NCRI expects solid rental demand consisting of individuals commuting to work in central Tokyo and others desiring to be near central Tokyo and the convenience of traffic access.

Since the property is new and boasts luxurious interior and facilities, it is expected to maintain its competitiveness over the medium- to long-term.

(ii) Housing Type and Floor Plan

Urban Family Type: 85%
 Family Type: 15%
 Floor Plan: 66 1LDK (one bedroom with lounge, dining and kitchen) apartments, 11 1LDK+S (one bedroom with lounge, dining, kitchen and service room) apartments, 11 2LDK (two bedrooms with lounge, dining and kitchen) apartments.

Note: For further details, please refer to Attachment 3., “Composition by Housing Type.”

(2)Property Profile (Scheduled for Acquisition)

Property Name		NCR Nihonbashi Suitengu
Type of Acquisition (Note 1)		Trust beneficiary interest
Trustee (Note 1)		Mizuho Trust & Banking Co., Ltd.
Trust Maturity Date(Note1)		January 31, 2014
Acquisition Date (Planned)		NCRI shall acquire the property on the earlier of June 22, 2006 (scheduled) or on a date separately agreed to with the seller after NCR confirms that the occupancy (the ratio of the total leased area of leased units versus the total leasable area) has topped 70% (Note 8).
Address (Note 2)		Residential 2-1 Nihonbashi Koami-cho, Chuo-ku, Tokyo
		Lot 2-8 Nihonbashi Koami-cho, Chuo-ku, Tokyo
Access		Approximately 7-minute walk from Kayabacho st. on Hibiya line and Tozai line or approximately 5 mins. from Suitegumae station, Hanzomon line.
Use (Note 3)		Apartment complex
Site Area (Note 2)		Land 693.38m ²
		Building 5,762.36m ²
Construction (Note 2)		SRC and RC 12F
Probable maximum loss(Note 4)		14.2%
Type of Ownership		Proprietary ownership
Completion Date (Note 2)		July 2005
Acquisition Price		¥ 3,332 million
Appraisal Method		Appraisal by Tanizawa Sogo Kantei
Appraisal Value		¥ 3,332 million
Collateral		None
Special Considerations		None
Tenant Details	Number of Tenants (Note 5)	1
	Total No. of Leasable Apartments (Note 6)	88
	Total No. of Leased Apartments (Notes 6 & 7)	4
	Total Leasable Floor Space (Note 6)	4,602.95m ²
	Total Leased Floor Space (Note 6&7)	191.07m ²
	Occupancy Ratio Based on Floor Space (Note 6)	4.2%

4) Property Name: New City Residence Minami Azabu East

(1) Reason for Acquisition

(i) Property Features

This condominium is primarily comprised of single type units and is located about a 6-minute walk from Azabu Juban Station on the Tokyo Metro Nanboku Line and Toei Oedo Line. The district the property is located in is about the center of Minato Ward, which is comprised of Minami Azabu and Moto Azabu centering on Azabu Juban 1-4 chome. The commercial arcade developed from the Edo era and it was the most prosperous town to the south of Edo Castle at the time. When the country was opened to the outside at the end of the Shogunate, the American Consulate was located here and in the Meiji era the consulates and embassies of many other countries were built here. As a result, there are still many foreign residents and it is a truly international town. The Azabu Juban Station was opened a few years ago, which enabled the use of two subway routes. This added transport convenience to the traditional district images and reputation and presently it has become a highly preferred residential area. Strong rental demand can be expected from people that commute to work in central Tokyo because they desire proximity to downtown, traffic convenience and the local reputations in concerned regions. Since the property was recently built and boasts luxurious interiors and facilities, it is expected to maintain its competitiveness over the medium- to long-term.

As for the acquisition of this property (scheduled for December 26, 2005), the trust beneficiary right sales and purchase agreement states that an affiliate of the seller shall rent all the residential units and parking spots that are vacant under the rental conditions agreed to by NCRI for a period of six months from January 1, 2006. After six months, NCRI shall assume the rental agreements with tenants that an affiliate of the seller has sublet units to according to rental terms agreed to by NCRI.

(ii) Housing Type and Floor Plan

Single Type: 100%

Floor Plan: 40 1R (one bedroom with kitchen) apartments

Note: For further details, please refer to Attachment 3., "Composition by Housing Type."

(2) Property Profile (Scheduled for Acquisition)

Property Name	NCR Minami Azabu East		
Type of Acquisition (Note 1)	Trust beneficiary interest		
Trustee (Note 1)	Mizuho Trust & Banking Co., Ltd.		
Trust Maturity Date(Note 1)	December 31, 2015		
Acquisition Date (Planned)	December 26, 2005		
Address (Note 2)	Residential	1-5-31	Minami-azabu, Minato-ku, Tokyo
	Lot	1-41-1	Minami-azabu, Minato-ku, Tokyo
Access	Approximately 6 minutes walk from Azabujuban station, Nanboku line and Oedo line.		
Use (Note 3)	Apartment complex		
Site Area (Note 2)	Land	389.48m ²	
	Building	1,641.85m ²	

Construction (Note 2)		RC 9F
Probable maximum loss(Note 4)		9.3%
Type of Ownership		Proprietary ownership
Completion Date (Note 2)		September 2005
Acquisition Price		¥ 1,260 million
Appraisal Method		Appraisal by Tanizawa Sogo Kantei
Appraisal Value		¥ 1,261 million
Collateral		None
Special Considerations		None
Tenant Details	Number of Tenants (Note 5)	1
	Total No. of Leasable Apartments (Note 6)	40
	Total No. of Leased Apartments (Notes 6 & 7)	9
	Total Leasable Floor Space (Note 6)	1,217.92m ²
	Total Leased Floor Space (Note 6&7)	273.82m ²
	Occupancy Ratio Based on Floor Space (Note 6)	22.5%

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. 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)
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 Living KK. ("NCL") as sublessee prior to the scheduled acquisition date. The "Number of Tenants" noted above is the number after master lease execution.
6. Data as of November 30, 2005
7. The "Total No. of Leased Apartments" noted above represents the number of apartments leased to end tenants.
8. The objective of setting the scheduled property acquisition date as six months from the conclusion date of the agreement is to acquire the property after securing a certain level of occupancy. In the cases of properties 2 and 3, the acquisition can be made earlier respectively when the occupancy exceeds 50% or 70%. Moreover, leasing expenses from the date of purchase agreement execution up to the date of acquisition are under the seller's care.

3. Seller Profiles

Property 1, 2 and 3

Company Name	New City Real Estate Trading Seven Yugengaisha
Head Office Address	1-6-1 Izumi Garden Tower 29F, Roppongi, Minato-ku ,Tokyo, Japan
Representative	Suzuki, Takeo
Capital	JPY 3 Million
Principal Activities	1. Acquisition of real estate trust beneficiary rights, development and sales 2. Buying and selling, rental, development and property management of real estates. 3. Related project proposals.
Relationship with NCRI	This company is a special purpose company(SPC) established under the guidance of New City Corporation K.K

Property 4

Company Name	PDM SPC
Head Office Address	4-1-17 Toranomon, Minato-ku, Tokyo
Representative	Phi Le
Capital	JPY 39,750,000
Principal Activities	Propose projects for liquidation of assets and related assignment of specified assets, together with activities related to management and dispersal, in accordance with the laws on assets transfer.
Relationship with NCRI	None

4. Design and Other Matters concerning the Scheduled Acquisition Properties

The Ministry of Land, Infrastructure and Transport (MLIT) has announced the architect, designer, contractor, and construction auditor's names and the names of properties with falsified structural calculations concerning the structural calculation falsification problem caused by Aneha Kenchiku Sekkei Jimusho (Aneha Architectural Design Office) of Chiba Prefecture.

NCRI has verified the architects, contractors, building designers, structural design companies and construction appraisers of the four properties NCRI is scheduled to acquire. The details are as indicated in the table below.

In regard to the architects, designers and contractors of the four properties NCRI is scheduled to acquire, neither of these fall under companies announced by MLIT as of December 20, 2005. However, the construction appraiser for property 2 was Bureau Veritas Japan Co., Ltd. and for property 4 was Japan ERI Co., Ltd. Therefore, NCRI asked a specialized third party research agency (Index Consulting, Inc.) to conduct a re-appraisal of all four properties that are scheduled to be acquired. Index Consulting has reported that it found no willful falsification, fabrication or other illegal act concerning the structural design documents, and it made the judgment that the structural design complies with legal requirements.

In addition, properties owned by NCRI 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 include a design drawing review and refer to ground survey data in assessing the earthquake resistance. NCRI makes the final decision to acquire a property after having conducted appropriate structural verifications and earthquake risk analyses.

Name of Property	Architects	Contractors	Building designers	Structural design companies	Construction appraisers
Property 1 NCR Kaname-cho	Nihon Housing Co., LTD	Sumitomo Mitsui Construction	Ka) Eru Kenchiku Sekkei Jimusho	Archi Capital	Jutaku Kinyu Fukyu Association
Property 2 NCR Ginza	Secom Home Life Co., LTD	Sumitomo Mitsui Construction	Ka)Rokki Kenchiku Sekkei Jimusho	Ka)Wada Kenchiku Gijutsu Kenkyujo	Bureau Veritas Japan Co., LTD
Property 3 NCR Nihonbashi Suitengu	Sojitz Urban Development Corporation	Haseko Corporation, Inc.	Haseko Corporation, Inc.	Haseko Corporation, Inc.	Japan Building Equipment and Elevator Center Foundation
Property 4 NCR Minami Azabu East	PACIFIC DEVELOPMENT & MANAGEMENT CO.,LTD.	Tokyu Construction	Barclay Sekkei	Kaoru Kozo Sekkei Jimusho	JAPAN ERI CO.,LTD.

Reference: Specialist Organizations

Name of Company : Index Consulting, Inc.
Headquarter : 1-25-5 Toranomom 34MT Bldg., Toranomom, Minato-ku, Tokyo, Japan

Representative : Kouichi Uemura
Capital : JPY 30 million
Principal Activities : 1) Construction Project Management
2) Real Estate Solutions
3) Business Support Re-Engineering

Name of Company : OYO Corporation
Headquarter : 3-11-15 Akasaka Kikyo Bldg. 4F, Akasaka, Minato-ku, Tokyo, Japan
Representative : Takashi Kanemori
Capital : JPY 475 million
Principal Activities : 1) Risk analysis for natural disasters
2) Risk assessments for Risk Securitization
3) Provision of Advisory services for corporate risk management
4) Provision of software licenses for risk analysis

5. Acquisition of Right to Demand Collateral for Defects and Reparations by Seller

(1) Acquisition of Right to Demand Collateral for Defects from Seller

In regards to properties 1 to 3, the content of the trust beneficiary interest sales and purchase agreement with termination conditions stipulates that if the transfer of such without the agreement of said former owner is possible, the seller shall transfer the right to demand collateral for defects of the former owner to NCRI and prepare counter requirements.

In regards to property 4, the content of the trust beneficiary interest sales and purchase agreement stipulates that the seller shall transfer to NCRI or a party designated by NCRI the right to demand collateral for defects subject to transfer that are defined in this agreement.

(2) Reparations by the Seller

In regards to properties 1 to 3, the seller has provided declarations and guarantees in the trust beneficiary interest sales and purchase agreement with termination conditions that the design of these properties comply with the Building Standard Law and related laws and regulations; that the structural calculations and structural designs have been prepared in compliance with the applicable laws and regulations and contain no falsifications; and that each of the properties satisfy the anti-earthquake standards designated in the Building Standard Law. When the above declarations and guarantees prove to be inaccurate, the seller shall provide reparations to NCRI for the damages it incurs.

In regards to property 4, the seller has provided declarations and guarantees in the trust beneficiary interest sales and purchase agreement that the concerned property has had its construction validly confirmed; that it has an inspection certification verifying that construction was conducted according to the architectural confirmation notice; that to the knowledge of the seller the property does not violate the Building Standard Law or other applicable laws and regulations; and that said property satisfies the required earthquake resistance standards based on laws and regulations. When the above declarations are violated, the seller shall provide reparations to NCRI for the damages incurred.

(3) Reparations by New City Corporation

New City Corporation, an affiliate of the seller, has stipulated in the reparations pledge with NCRI dated December 22, 2005 that it declares and guarantees the same content declared and guaranteed concerning properties 1 to 3 as expressed in (2) above. When said declaration or guarantee is violated, New City pledges reparations for damages incurred by NCRI.

6. Related-Party Transactions

(1) In connection with the aforementioned properties, the Investment Corporation plans to execute a property management agreement with New City Estate Service K.K. (“NCES”) and a master lease agreement with K.K. New City Living (“NCL”). The NCES and NCL are both defined as 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

(2) New City Corporation K.K., acting as broker in the purchase and sale of the subject property 1 through 3, is defined as an Interested Party. Accordingly, the Investment Corporation and the Asset Management Company have adopted the following commission and other terms and conditions in connection with property acquisition based on each company’s internal rules and regulations:

Commission: ¥169,900,000 (excluding consumption tax)

7. Acquisition Schedule

Please refer to Item 1. (3) preceding.

8. Outlook

The impact of the acquisition of the aforementioned property on the Investment Corporation’s operating conditions for the fiscal period ending February 28, 2006 is considered to be immaterial. Accordingly, there are no revisions to its previously announced operating forecasts.

[Attachments]

- Attachment 1: Projected Cash Flow Based on Appraisal Reports
- Attachment 2: Real Estate Portfolio after Planned Property Acquisition
- Attachment 3: Composition by Housing Type
- Attachment 4: Photograph of the External Façade and Maps of the Property Planned for Acquisition

Attachment 1

Projected Cash Flow Based on Appraisal Reports

Property 1: NCR Kaname-cho

Unit: Yen

Appraisal Company	Mitsui Fudosan Hanbai	
Base Date for Survey	2005/11/1	
Value Calculated Using the Direct Capitalization Method	1,380,000	
Gross Operating Revenue	Rent/Common Area Fee based on an estimated occupancy ratio of 96%.	74,554
	Gain on Guarantee Deposit Investment	259
	Other Revenues	4,304
	Total Gross Operating Revenue ①	79,118
Gross Operating Expenses	Administrative and Maintenance Expense	2,958
	Utilities	877
	Management Fees	2,245
	Taxes and Dues	3,740
	Insurances	314
	Other Expenses	0
	Profit and Loss from Leasing ②	10,133
Total Gross Operating Expenses ③	12,955	
Net Operating Income (NOI) ①－②	68,985	
Net Cash Flow ①－③	66,163	
Overall Capitalization Rate	4.8%	
Value Calculated Using the Discounted Cash Flow Method	1,340,000	
Dicount Rate	4.7%	
Terminal Capitalization Rate	5.1%	
Value Calculated Using the Cost Method	828,000	

- (1) The above values are the assumed annual income and expenditure based on the direct cap rate entered in the Real Estate Appraisal Value and are not the projected figures of this term. The same applies to each property on the pages to follow.
- (2) There are times when the above total values do not match the totals arrived at by summing each value since each value below one thousand yen has been rounded from the values indicated in the real estate appraisal. The above total values are arrived at by summing each value indicated in the real-estate appraisal and then rounding the values below 1,000 yen of that sum. The same applies to each property on the pages to follow

Property 2: NCR Ginza

Unit: Yen

Appraisal Company	Mitsui Fudosan Hanbai	
Base Date for Survey	2005/11/1	
Value Calculated Using the Direct Capitalization Method		3,900,000
Gross Operating Revenue	Rent/Common Area Fee based on an estimated occupancy ratio of 96%.	201,522
	Gain on Guarantee Deposit Investment	702
	Other Revenues	16,961
	Total Gross Operating Revenue ①	219,185
Gross Operating Expenses	Administrative and Maintenance Expense	6,631
	Utilities	1,887
	Management Fees	6,227
	Taxes and Dues	10,119
	Insurances	1,052
	Other Expenses	-
	Profit and Loss from Leasing ②	25,916
Capital Expenditures	1,800	
Leasing Commissions	4,387	
Total Gross Operating Expenses ③		32,103
Net Operating Income (NOI) ①－②		193,269
Net Cash Flow ①－③		187,082
Overall Capitalization Rate		4.8%
Value Calculated Using the Discounted Cash Flow Method		4,010,000
Discount Rate		4.6%
Terminal Capitalization Rate		5.0%
Value Calculated Using the Cost Method		2,630,000

Property 3: NCR Nihonbashi Suitengu

Unit: Yen

Appraisal Company	Tanizawa Sogo	
Base Date for Survey	2005/10/1	
Value Calculated Using the Direct Capitalization Method		3,332,000
Gross Operating Revenue	Rent/Common Area Fee based on an estimated occupancy ratio of 96%.	193,680
	Gain on Guarantee Deposit Investment	657
	Other Revenues	18,628
	Total Gross Operating Revenue ①	212,966
Gross Operating Expenses	Administrative and Maintenance Expense	4,992
	Utilities	1,657
	Management Fees	7,090
	Taxes and Dues	12,377
	Insurances	632
	Other Expenses	387
	Profit and Loss from Leasing ②	27,136
	Total Gross Operating Expenses ③	36,348
Net Operating Income (NOI) ①－②		185,830
Net Cash Flow ①－③		176,618
Overall Capitalization Rate		5.3%
Value Calculated Using the Discounted Cash Flow Method		3,332,000
Dicount Rate		5.2%
Terminal Capitalization Rate		5.6%
Value Calculated Using the Cost Method		1,781,000

Property 4: NCR Minami Azabu East

Unit: Yen

Appraisal Company	Tanizawa Sogo	
Base Date for Survey	2005/11/1	
Value Calculated Using the Direct Capitalization Method		1,291,000
Gross Operating Revenue	Rent/Common Area Fee based on an estimated occupancy ratio of 96%.	71,407
	Gain on Guarantee Deposit Investment	240
	Other Revenues	5,668
	Total Gross Operating Revenue ①	77,315
Gross Operating Expenses	Administrative and Maintenance Expense	3,468
	Utilities	892
	Management Fees	2,572
	Taxes and Dues	3,748
	Insurances	264
	Other Expenses	857
	Profit and Loss from Leasing ②	11,800
Total Gross Operating Expenses ③	15,365	
Net Operating Income (NOI) ①－②		65,515
Net Cash Flow ①－③		61,950
Overall Capitalization Rate		4.8%
Value Calculated Using the Discounted Cash Flow Method		1,248,000
Dicount Rate		4.9%
Terminal Capitalization Rate		5.1%
Value Calculated Using the Cost Method		813,000

Attachment 2

Real Estate Portfolio after Planned Property Acquisition

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	3.25%
	C-2	NCR Nishi Azabu Twin Tower	Dec. 17, 2004	3,315	2.84%
	C-3	NCR Nishi Azabu	Dec. 15, 2004	3,143	2.70%
	C-4	NCR Ochanomizu	Dec. 17, 2004	2,300	1.97%
	C-5	NCR Sangubashi	Dec. 15, 2004	1,734	1.49%
	C-6	NCR Shinjyuku Ichibankan	Dec. 15, 2004	1,978	1.70%
	C-7	NCR Shinjyuku Nibankan	Dec. 15, 2004	889	0.76%
	C-8	NCR Nihonbashi East	Dec. 15, 2004	1,622	1.39%
	C-9	NCR Nihonbashi West	Dec. 15, 2004	1,480	1.27%
	C-10	NCR Ginza Twin I	Dec. 15, 2004	1,133	0.97%
	C-11	NCR Ginza Twin II	Dec. 15, 2004	968	0.83%
	C-12	NCR Harajuku	Dec. 17, 2004	1,220	1.05%
	C-13	NCR Mita	Dec. 15, 2004	986	0.85%
	C-14	NCR Yoyogi Uehara	Dec. 17, 2004	765	0.66%
	C-15	NCR Sendagaya	Dec. 17, 2004	695	0.60%
	C-16	NCR Shinjyuku 7 Chome	Dec. 17, 2004	626	0.54%
	C-17	NCR Ichigaya Sanaicho	Dec. 17, 2004	577	0.50%
	C-18	NCR Ningyocho I	Feb. 25, 2005	1,230	1.06%
	C-19	NCR Ningyocho II	Feb. 25, 2005	1,290	1.11%
	C-20	NCR Shin Ochanomizu	Feb. 25, 2005	1,160	1.00%
	C-21	NCR Jimbocho	Jul. 29, 2005	2,803	2.41%
	C-22	NCR Ningyocho III	Jul. 29, 2005	1,662	1.43%
	C-23	NCR Jimbocho II	Jul. 5, 2005	1,470	1.26%
	C-24	NCR Ginza East III	Jul. 5, 2005	841	0.72%
	C-25	NCR Shinjyuku Gyoen I	Jul. 28, 2005	3,140	2.69%
	C-26	NCR Sasazuka	Jul. 28, 2005	3,050	2.62%
	C-27	NCR Takanawadai	Jul. 28, 2005	1,180	1.01%
	C-28	NCR Nihonbashi Ningyocho IV	Jul. 28, 2005	842	0.72%
	C-29	NCR Shinjyuku Gyoen II	Jul. 28, 2005	580	0.50%
	C-30	NCR Ginza East IV	Jul. 28, 2005	510	0.44%
	C-31	NCR Takanawadai II	Sep. 21, 2005	1,530	1.31%
	C-32	NCR Minami Azabu	Sep. 21, 2005	840	0.72%
	C-33	NCR Minami Azabu East	Dec. 26, 2005	1,260	1.08%
	C-34	NCR Ginza	Jun. 22, 2006	4,000	3.43%
	C-35	NCR Nihonbashi Suitengu	Jun. 22, 2006	3,332	2.86%
	Subtotal	—	57,934	49.72%	
23 Wards of Tokyo Excluding the Five Central Tokyo Wards	M-1	NCR Meguro Mita	Dec. 17, 2004	6,066	5.21%
	M-2	NCR Todoroki	Dec. 15, 2004	1,850	1.59%
	M-3	NCR Honjo Azumabashi	Dec. 15, 2004	1,122	0.96%
	M-4	NCR Kitazawa	Dec. 17, 2004	1,070	0.92%
	M-5	NCR Meguro	Dec. 17, 2004	1,050	0.90%
	M-6	NCR Senzokukoen	Dec. 17, 2004	921	0.79%
	M-7	NCR Kyodo	Dec. 15, 2004	715	0.61%
	M-8	NCR Monzennakacho	Dec. 15, 2004	524	0.45%
	M-9	NCR Denenchofu	Dec. 17, 2004	511	0.44%
	M-10	NCR Negishi	Dec. 17, 2004	356	0.31%
	M-11	NCR Kamiikedai	Dec. 17, 2004	238	0.20%
	M-12	NCR Otsuka	Feb. 25, 2005	1,290	1.11%
	M-13	NCR Morishita	Feb. 25, 2005	985	0.85%
	M-14	NCR Wakabayashi Koen	Apr. 21, 2005	970	0.83%
	M-15	NCR Asakusabashi	Apr. 19, 2005	870	0.75%
	M-16	NCR Gakugei Daigaku	May 31, 2005	1,210	1.04%

	M-17	NCR Jiyugaoka	July 28, 2005	1,470	1.26%
	M-18	NCR Mejiro East	July 28, 2005	1,080	0.93%
	M-19	NCR Iriya	July 28, 2005	675	0.58%
	M-20	NCR Ikebukuro	Sep. 29, 2005	3,227	2.77%
	M-21	NCR Kanamecho	Jan. 11, 2006	1,360	1.17%
	Subtotal		—	27,560	23.65%
Tokyo Metropolitan Area Excluding the 23 Wards of Tokyo	G-1	NCR Yokohama East	Dec. 15, 2004	6,753	5.80%
	G-2	NCR Funabashi Honcho	Dec. 17, 2004	1,083	0.93%
	G-3	SH Motosumiyoshi	Dec. 15, '004	1,058	0.91%
	G-4	NCR Toyoda	Dec. 15, 2004	1,053	0.90%
	G-5	NCR Nishi Funabashi	Dec. 17, 2004	997	0.86%
	G-6	NCR Maihama	Dec. 17, 2004	844	0.72%
	G-7	NCR Ichikawa Myoden	Dec. 17, 2004	769	0.66%
	G-8	NCR Kumegawa	Dec. 17, 2004	715	0.61%
	G-9	NCR Urayasu	Dec. 17, 2004	653	0.56%
	G-10	NCR Minami Gyotoku I	Dec. 17, 2004	648	0.56%
	G-11	NCR Minami Gyotoku II	Dec. 17, 2004	447	0.38%
	G-12	NCR Nogeyama	Dec. 17, 2004	469	0.40%
	G-13	NCR Minamirinkan	Dec. 17, 2004	456	0.39%
	G-14	NCR Shonan	Dec. 17, 2004	445	0.38%
	G-15	LM Fuchinobe Honcho	Dec. 17, 2004	222	0.19%
	G-16	LM Higashi Ome Daisan	Dec. 17, 2004	175	0.15%
	G-17	PT Ichikawa	Jul. 28, 2005	620	0.53%
	G-18	PT Shioyaki	Jul. 28, 2005	310	0.27%
	G-19	PT Horie	Jul. 28, 2005	193	0.17%
	Subtotal		—	17,910	15.37%
Other Regions	R-1	NCR Ohdori-koen	Dec. 17, 2004	726	0.62%
	R-2	Goshikiyama Heights	Dec. 15, 2004	720	0.62%
	R-3	NCR Nishikoen	Dec. 17, 2004	379	0.33%
	R-4	NCR Nishi Ohori	Dec. 17, 2004	258	0.22%
	R-5	NCR Kakogawa	Dec. 17, 2004	274	0.24%
	R-6	LM Maebashi Nishikatakai	Dec. 17, 2004	202	0.17%
	R-7	Aprire Tarumi	Feb. 25, 2005	1,710	1.47%
	R-8	NCR Uehonmachi	Jul. 29, 2005	855	0.73%
	R-9	Crest Kusatsu	June 28, 2005	3,830	3.29%
	R-10	NCR Honmachi East	Dec.1, 2005	1,740	1.49%
	R-11	NCR Shin-Umeda	Dec.1, 2005	1,640	1.41%
	Subtotal		—	13,124	11.26%
Total			—	116,528	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 “Sonnen 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

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(+S), 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> 1K(+S), 1DK(+S), LDK+S, 1LDK(+S), 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> 1DK+S, 1LDK+S, 2DK(+S), 2LDK(+S), 3DK, 3LDK(+S) or 4LDK (Note 1) 1DK+S, 1LDK+S, 2DK or 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> LDK+S, 1LDK(+S), 2LDK(+S), 3LDK(+S), 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.
 1K+S : Single room with separate kitchen and service room 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 or 1K+S	S	UF	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	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 1DK+S, 1LDK+S, 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 4

Photograph of the External Façade of the Property Planned for Acquisition

**Property 1:
New City Residence Kaname-cho**



**Property 3:
NCR Nihonbashi Suitengu**



Property 2: New City Residence Ginza



**Property 4: New City Residence Minami
Azabu East**



This English language notice is a translation of the Japanese language notice issued on December 22, 2005 and was prepared solely for the convenience of, and reference by, overseas investors. NCR makes no warranties as to its accuracy or completeness.