

September 26, 2006

For Immediate Release

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

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Notice Concerning the Proposed Sale of Investment Assets

New City Residence Investment Corporation (“NCRI” or “the Investment Corporation”) today announced its decision to sell the following investment asset.

1. Sale Details

- ① Asset Type : Beneficiary interests in trust that places real estate in trust
- ② Property Names : New City Residence Meguro Mita
New City Residence Kyodo
New City Residence Uehonmachi
- ③ Total Sale Price (planned) : ¥8,686,000,000
(exclusive of transfer costs, adjusted amount of property tax and urban planning tax, as well as consumption tax and local consumption tax)
- ④ Total Acquisition Price : ¥7,636,000,000
- ⑤ Total Book Value : ¥7,748,083,959 (As of February 28, 2006)
- ⑥ Difference between Total Sale Price (planned) and Total Book Value : ¥937,916,041 (difference between ③ and ⑤ above)

2. Details of Properties

(1) New City Residence Meguro Mita

- ① Asset Type : Beneficiary interests in trust that places real estate in trust
- ② Property Name : New City Residence Meguro Mita
- ③ Sale Price (planned) : ¥7,070,000,000
(exclusive of transfer costs, adjusted amount of property tax and urban planning tax, as well as consumption tax and local consumption tax)
- ④ Acquisition Date : December 17, 2004
- ⑤ Acquisition Price : ¥6,066,000,000
- ⑥ Book Value : ¥6,116,835,888 (As of February 28, 2006)
- ⑦ Difference between Sale Price (planned) and Book Value : ¥953,164,112 (difference between ③ and ⑥ above)
- ⑧ Contract Date (planned) : September 26, 2006

- ⑨ Delivery Date (planned) : October 31, 2006
- ⑩ Buyer : GE Real Estate - Japan (Please refer to 5. below for details)
- ⑪ Sale Method : Sale of beneficiary interests in trust that places real estate in trust to the above Buyer.

(2) New City Residence Kyodo

- ① Asset Type : Beneficiary interests in trust that places real estate in trust
- ② Property Name : New City Residence Kyodo
- ③ Sale Price (planned) : ¥757,000,000
(exclusive of transfer costs, adjusted amount of property tax and urban planning tax, as well as consumption tax and local consumption tax)
- ④ Acquisition Date : December 15, 2004
- ⑤ Acquisition Price : ¥715,000,000
- ⑥ Book Value : ¥752,864,843 (As of February 28, 2006)
- ⑦ Difference between Sale Price (planned) and Book Value : ¥4,135,157 (difference between ③ and ⑥ above)
- ⑧ Contract Date (planned) : September 26, 2006
- ⑨ Delivery Date (planned) : October 31, 2006
- ⑩ Buyer : GE Real Estate - Japan (Please refer to 5. below for details)
- ⑪ Sale Method : Sale of beneficiary interests in trust that places real estate in trust to the above Buyer.

(3) New City Residence Uehonmachi

- ① Asset Type : Beneficiary interests in trust that places real estate in trust
- ② Property Name : New City Residence Uehonmachi
- ③ Sale Price (planned) : ¥859,000,000
(exclusive of transfer costs, adjusted amount of property tax and urban planning tax, as well as consumption tax and local consumption tax)
- ④ Acquisition Date : February 25, 2005
- ⑤ Acquisition Price : ¥855,000,000
- ⑥ Book Value : ¥878,383,228 (As of February 28, 2006)
- ⑦ Difference between Sale Price (planned) and Book Value : ▲19,383,228 yen (difference between ③ and ⑥ above)
- ⑧ Contract Date (planned) : September 26, 2006
- ⑨ Delivery Date (planned) : October 31, 2006
- ⑩ Buyer : GE Real Estate - Japan (Please refer to 5. below for details)
- ⑪ Sale Method : Sale of beneficiary interests in trust that places real estate in trust to the above Buyer.

3. Reasons for Sale

As a result of a comprehensive review based on the asset management targets and policy as designated in NCRI's Articles of Incorporation, which took into account trends in the real-estate trading market, prospects of developments in the area, revenue projections, state of individual properties, overall portfolio composition and other factors, NCRI made sure that the transfer timing, transfer value, etc. to be appropriate. NCRI thus decided to transfer these properties in an aim to enhance the portfolio and boost efficiency in its management over the medium- and long-term.

4. Profile of Investment Assets to be Sold

(1) New City Residence Meguro Mita

Property No. : M-1	Property Name : New City Residence Meguro Mita
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Address	(Residential) 1-7-13 Mita, Meguro-ku, Tokyo		(Lot) 1-55-1 Mita, Meguro-ku, Tokyo, and two other addresses		
Land	Type of Ownership	Proprietary ownership	Building	Type of Ownership	Proprietary ownership
	Site Area	1,866.39m ²		Use	Office, apartment complex and parking lot
	Zoning	Class 1 residential zone		Construction/No.of Floors	RC 6F/B1F
	FAR/Building Coverage Ratio	300% / 60%		Total Floor Space	7,347.97 m ²
Trustee	Mizuho Trust & Banking Co., Ltd.		Leasable Floor Space	5,264.94 m ²	
Trust Maturity Date	March 10, 2009		No. of Leasable Apartments	41	
Acquisition Price (million yen)	6,066		Completion Date	September 30, 2002	
PM Company	New City Property Service K.K.		Sublease Firm	New City Leasing Five Y.K.	
Appraised Value (Appraised Date and Appraiser)		¥6,135 million (Appraised by Tanizawa Sogo Appraisal Co., Ltd as of August 31, 2006)			
As of August 31, 2006					
Monthly Rent: ¥31,567,077		Deposits, Guarantees, etc.: ¥155,512,115		Occupancy Rate: 98.6%	

(2) New City Residence Kyodo

Property No. : M-7 Property Name : New City Residence Kyodo					
Address	(Residential) 5-33-13 Kyodo, Setagaya-ku, Tokyo		(Lot) 5-729-1 Kyodo, Setagaya-ku, Tokyo, and one other address		
Land	Type of Ownership	Proprietary ownership	Building	Type of Ownership	Proprietary ownership
	Site Area	1,056.06m ²		Use	Office and apartment complex
	Zoning	Quasi industrial zone		Construction/No.of Floors	RC 5F
	FAR/Building Coverage Ratio	200% / 60%		Total Floor Space	1,941.93 m ²
Trustee	Mizuho Trust & Banking Co., Ltd.		Leasable Floor Space	1,621.24 m ²	
Trust Maturity Date	February 19, 2009		No. of Leasable Apartments	24	
Acquisition Price (million yen)	715		Completion Date	May 2, 1989	
PM Company	New City Property Service K.K.		Sublease Firm	New City Leasing Four Y.K.	
Appraised Value (Appraised Date and Appraiser)		¥679 million (Appraised by Tanizawa Sogo Appraisal Co., Ltd. as of August 31, 2006)			
As of August 31, 2006					
Monthly Rent: ¥4,298,200		Deposits, Guarantees, etc.: ¥9,776,900		Occupancy Rate: 89.6%	

(3) New City Residence Uehonmachi

Property No. : R-8 Property Name : New City Residence Uehonmachi					
Address	(Residential) 5-3-17 Uehonmachi, Tennoji-ku, Osaka-shi, Osaka		(Lot) 5-2-10 Uehonmachi, Tennoji-ku, Osaka-shi, Osaka, and two other addresses		
Land	Type of Ownership	Proprietary ownership	Building	Type of Ownership	Proprietary ownership

	Site Area	424.21 m ²		Use	Apartment complex
	Zoning	Commercial zone and class 2 residential zone		Construction/No.of Floors	RC、 11F
	FAR/Building Coverage Ratio	600% / 80% 400% / 80% 300% / 60%		Total Floor Space	2,163.23 m ²
Trustee		Mizuho Trust & Banking Co., Ltd.		Leasable Floor Space	1,826.30 m ²
Trust Maturity Date		September 30, 2010		No. of Leasable Apartments	30
Acquisition Price (million yen)		855		Completion Date	July 15, 2004
PM Company	New City Property Service K.K.		Sublease Firm	New City Leasing Six Y.K.	
Appraised Value (Appraised Date and Appraiser)		¥855 million	(Appraised by Tokyo Joint Appraisal Office as of August 31, 2006)		
As of August 31, 2006					
Monthly Rent: ¥4,551,000		Deposits, Guarantees, etc.: ¥8,989,000		Occupancy Rate: 90.0%	

5. Buyer Profile

- ① Company Name : GE Real Estate - Japan
- ② Head Office Address : 1-12-32 Akasaka, Minato-ku, Tokyo
- ③ Representative : Tomoyuki Yoshida
- ④ Capital : ¥3,741,000,000
- ⑤ Principal Activities : 1. Acquiring, owning, renting, managing and using real estate
2. Selling and purchasing real estate and related brokerage, appraisal services, etc.
- ⑥ Relationship with NCRI : Nil

6. Broker Profile

Not provided as consent has not been obtained from the broker concerning the disclosure. The broker is not an interested party, etc. as prescribed in Article 15.2 of the Investment Trust and Investment Corporation Law.

7. Outlook

Sale of investment assets will not impact the operating conditions for the fiscal period ending August 2006 (March 1, 2006 to August 31, 2006). In addition, the projected cash flow for the fiscal period ending February 2007 (September 1, 2006 to February 28, 2007) that has factored in the impact of selling these investment assets is scheduled to be released in the financial statements for the fiscal period ending August 2006 (March 1, 2006 to August 31, 2006).

- 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 : Real Estate Portfolio after Planned Sale of Investment Assets

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	2.50%
	C-2	NCR Nishi Azabu Twin Tower	Dec. 17, 2004	3,315	2.19%
	C-3	NCR Nishi Azabu	Dec. 15, 2004	3,143	2.07%
	C-4	NCR Ochanomizu	Dec. 17, 2004	2,300	1.52%
	C-5	NCR Sangubashi	Dec. 15, 2004	1,734	1.14%
	C-6	NCR Shinjyuku Ichibankan	Dec. 15, 2004	1,978	1.31%
	C-7	NCR Shinjyuku Nibankan	Dec. 15, 2004	889	0.59%
	C-8	NCR Nihonbashi East	Dec. 15, 2004	1,622	1.07%
	C-9	NCR Nihonbashi West	Dec. 15, 2004	1,480	0.98%
	C-10	NCR Ginza Twin I	Dec. 15, 2004	1,133	0.75%
	C-11	NCR Ginza Twin II	Dec. 15, 2004	968	0.64%
	C-12	NCR Harajuku	Dec. 17, 2004	1,220	0.81%
	C-13	NCR Mita	Dec. 15, 2004	986	0.65%
	C-14	NCR Yoyogi Uehara	Dec. 17, 2004	765	0.50%
	C-15	NCR Sendagaya	Dec. 17, 2004	695	0.46%
	C-16	NCR Shinjyuku 7 Chome	Dec. 17, 2004	626	0.41%
	C-17	NCR Ichigaya Sanaicho	Dec. 17, 2004	577	0.38%
	C-18	NCR Ningyocho I	Feb. 25, 2005	1,230	0.81%
	C-19	NCR Ningyocho II	Feb. 25, 2005	1,290	0.85%
	C-20	NCR Shin Ochanomizu	Feb. 25, 2005	1,160	0.77%
	C-21	NCR Jinbocho	Jun. 10, 2005	2,803	1.85%
	C-22	NCR Ningyocho III	Jun. 10, 2005	1,662	1.10%
	C-23	NCR Jinbocho II	Jul. 5, 2005	1,470	0.97%
	C-24	NCR Ginza East III	Jul. 5, 2005	841	0.56%
	C-25	NCR Shinjyuku Gyoen I	Jul. 28, 2005	3,140	2.07%
	C-26	NCR Sasazuka	Jul. 28, 2005	3,050	2.01%
	C-27	NCR Takanawadai	Jul. 28, 2005	1,180	0.78%
	C-28	NCR Nihonbashi Ningyocho IV	Jul. 28, 2005	842	0.56%
	C-29	NCR Shinjyuku Gyoen II	Jul. 28, 2005	580	0.38%
	C-30	NCR Ginza East IV	Jul. 28, 2005	510	0.34%
	C-31	NCR Takanawadai II	Sep. 21, 2005	1,530	1.01%
	C-32	NCR Minami Azabu	Sep. 21, 2005	840	0.55%
	C-33	NCR Minami Azabu East	Dec. 26, 2005	1,260	0.83%
	C-34	NCR Ginza	Apr. 27, 2006	4,000	2.64%
	C-35	NCR Nihonbashi Suitengu	Apr. 27, 2006	3,332	2.20%
	C-36	NCR Takanawa	Jan. 11, 2006	10,995	7.26%
	C-37	NCR Higashi Nihonbashi (tentative name)	Dec.1,2006 (planned) (Note5)	4,930	3.25%
Subtotal			-	73,859	48.75%

	M-2	NCR Todoroki	Dec. 15, 2004	1,850	1.22%
	M-3	NCR Honjo Azumabashi	Dec. 15, 2004	1,122	0.74%

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23 Wards of Tokyo Excluding the Five Central Tokyo Wards	M-4	NCR Kitazawa	Dec. 17, 2004	1,070	0.71%	
	M-5	NCR Meguro	Dec. 17, 2004	1,050	0.69%	
	M-6	NCR Senzokukoen	Dec. 17, 2004	921	0.61%	
	M-8	NCR Monzennakacho	Dec. 15, 2004	524	0.35%	
	M-9	NCR Denenchofu	Dec. 17, 2004	511	0.34%	
	M-10	NCR Negishi	Dec. 17, 2004	356	0.23%	
	M-11	NCR Kamiikedai	Dec. 17, 2004	238	0.16%	
	M-12	NCR Otsuka	Feb. 25, 2005	1,290	0.85%	
	M-13	NCR Morishita	Feb. 25, 2005	985	0.65%	
	M-14	NCR Wakabayashi Koen	Apr. 21, 2005	970	0.64%	
	M-15	NCR Asakusabashi	Apr. 19, 2005	870	0.57%	
	M-16	NCR Gakugei Daigaku	May 31, 2005	1,210	0.80%	
	M-17	NCR Jiyugaoka	Jul 28, 2005	1,470	0.97%	
	M-18	NCR Mejiro East	Jul 29, 2005	1,080	0.71%	
	M-19	NCR Iriya	Jul 29, 2005	675	0.45%	
	M-20	NCR Ikebukuro	Sep. 21, 2005	3,227	2.13%	
	M-21	NCR Kanamecho	Jan. 11, 2006	1,360	0.90%	
	M-22	NCR Ueno Tower	Feb.1, 2006	2,990	1.97%	
	M-23	NCR Shinagawa Seaside Tower	Jun. 30, 2006	9,350	6.17%	
	M-24	NCR Yakumo (tentative name)	Dec.1,2006 (planned) (Note5)	1,160	0.77%	
	M-25	NCR Morishita West (tentative name)	Jun. 30, 2007 (planned) (Note5)	810	0.53%	
	Subtotal			-	35,089	23.16%

Tokyo Metropolitan Area Excluding the 23 Wards of Tokyo	G-1	NCR Yokohama East	Dec. 15, 2004	6,753	4.46%
	G-2	NCR Funabashi Honcho	Dec. 17, 2004	1,083	0.71%
	G-3	SH Motosumiyoshi	Dec. 15, '004	1,058	0.70%
	G-4	NCR Toyoda	Dec. 15, 2004	1,053	0.69%
	G-5	NCR Nishi Funabashi	Dec. 17, 2004	997	0.66%
	G-6	NCR Maihama	Dec. 17, 2004	844	0.56%
	G-7	NCR Ichikawa Myoden	Dec. 17, 2004	769	0.51%
	G-8	NCR Kumegawa	Dec. 17, 2004	715	0.47%
	G-9	NCR Urayasu	Dec. 17, 2004	653	0.43%
	G-10	NCR Minami Gyotoku I	Dec. 17, 2004	648	0.43%
	G-11	NCR Minami Gyotoku II	Dec. 17, 2004	447	0.30%
	G-12	NCR Nogeyama	Dec. 17, 2004	469	0.31%
	G-13	NCR Minamirinkan	Dec. 17, 2004	456	0.30%
	G-14	NCR Shonan	Dec. 17, 2004	445	0.29%
	G-15	LM Fuchinobe Honcho	Dec. 17, 2004	222	0.15%
	G-16	LM Higashi Ome Daisan	Dec. 17, 2004	175	0.12%
	G-17	PT Ichikawa	Jul. 28, 2005	620	0.41%
	G-18	PT Shioyaki	Jul. 28, 2005	310	0.20%
	G-19	PT Horie	Jul. 28, 2005	193	0.13%
Subtotal			-	17,910	11.82%

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Other Regions	R-1	NCR Ohdori-koen	Dec. 17, 2004	726	0.48%
	R-2	Goshikiyama Heights	Dec. 15, 2004	720	0.48%
	R-3	NCR Nishikoen	Dec. 17, 2004	379	0.25%
	R-4	NCR Nishi Ohori	Dec. 17, 2004	258	0.17%
	R-5	NCR Kakogawa	Dec. 17, 2004	274	0.18%
	R-6	LM Maebashi Nishikatakai	Dec. 17, 2004	202	0.13%
	R-7	Aprire Tarumi	Feb. 25, 2005	1,710	1.13%
	R-9	Crest Kusatsu	Jun 28, 2005	3,830	2.53%
	R-10	NCR Honmachi East	Dec.1, 2005	1,740	1.15%
	R-11	NCR Shin-Umeda	Dec.1, 2005	1,640	1.08%
	R-12	NCR Shizuoka Takasho	Mar.30, 2006	770	0.51%
	R-13	NCR Abeno	Apr..27, 2006	5,400	3.56%
	R-14	NCR Ohtedori	Apr..27, 2006	382	0.25%
	R-15	NCR Sakae	By Mar. 2007 (planned) (Note5)	1,361	0.90%
	R-16	NCR Nipponbashi Kouzu	Jun. 30, 2006	4,780	3.15%
	R-17	NCR Maruyama Urasando (tentative name)	By Sep. 2007 (planned) (Note5)	486	0.32%
	Subtotal			-	24,658
Total			-	151,516	100.00%

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 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.
5. The “(Planned) Acquisition Date” for planned property is acquisition date above or a date separately agreed upon between the seller and NCRI.