

November 30, 2006

For Immediate Release

New City Residence Investment Corporation
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Tetsuya Fujita, Executive Officer
(Securities Code: 8965)

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**Notice Concerning Organizational Changes of Asset Management Company of
Investment Trusts**

CBRE Residential Management K.K., an Investment Trust Management company to which asset management is consigned, resolved at their Board of Directors Meeting held on November 30, 2006 to implement internal organizational changes, brief details of which are as follows.

1. Description and Objective of Organizational Change

(1) Compliance Committee Restructured as the Compliance & Risk Management Committee

The asset manager's Compliance Committee has had its name changed to the Compliance & Risk Management Committee and the new Committee shall handle the discussions and resolutions on matters concerning legal and other compliance that the Compliance Committee handled to date along with the discussions and resolutions on matters for the appropriate management of risk related to the asset management operations and other operations of the asset manager. The objective of these steps is to heighten the risk management capabilities of the asset manager by expanding said functions.

(2) Items pertaining to control of information related to asset management

The compliance and risk management duties and internal inspection duties heretofore handled by the compliance officer and compliance manager of the asset manager shall respectively be given independence in the organization as the Compliance & Risk Management Office (new) and Internal Audit Office (new). The committee rules and

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compliance rules shall also be revised and the internal inspection rules changed to the internal audit rules at the same time. The objective of these steps is to strengthen the compliance and risk management and internal audit functions related to asset management operations and other operations under the board of directors.

2. Description of Duties within New Organization

(1) Compliance & Risk Management Committee

The Committee discuss and resolve the following matters.

- ① Matters concerning the basic policy for compliance & risk management
 - Establishment and amendment of compliance rules
 - Establishment and amendment of a compliance manual
 - Establishment and amendment of a compliance program
 - Establishment and amendment of risk management rules
 - Establishment and amendment of risk management manual
 - Vital items regarding other basic policies
- ② Matters concerning compliance & risk management for individual asset management operations
 - Essential measures such as improvements or future preventative measures regarding acts that are improper or potentially improper in the area of compliance
 - Transactions between interested parties
 - Transactions between the officers or employees of interested parties (corporations) and this Investment Corporation
 - Other vital matters concerning individual asset management operations
- ③ Other matters concerning compliance & risk management
 - Establishment and amendment of rules requiring approval of the board of directors
 - Other vital matters

(2) Compliance & Risk Management Office

The Office is responsible for the following matters.

- Matters concerning the drafting of a compliance framework including an internal control system that complies with the requirements of laws and rules
- Matters concerning confirmation that internal rules comply with laws and rules
- Matters concerning internal education of directors and employees concerning compliance and risk management
- Matters concerning advice to directors and employees concerning compliance and risk management
- Matters concerning internal notices related to the revision, abolition and establishment of laws and rules concerning the operations of asset managers
- Matters concerning verification of compliance with the requirements of related laws and rules including the form of transactions
- Matters concerning the discussion and handling of claims, troubles, compliance

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violations, etc.

- Matters concerning the convening and operating of the Compliance & Risk Management Committee
- Matters concerning constructing the system for managing risk
- Matters incidental to the above bullet points

(3) Internal Audit Office

The Office is responsible for the following matters.

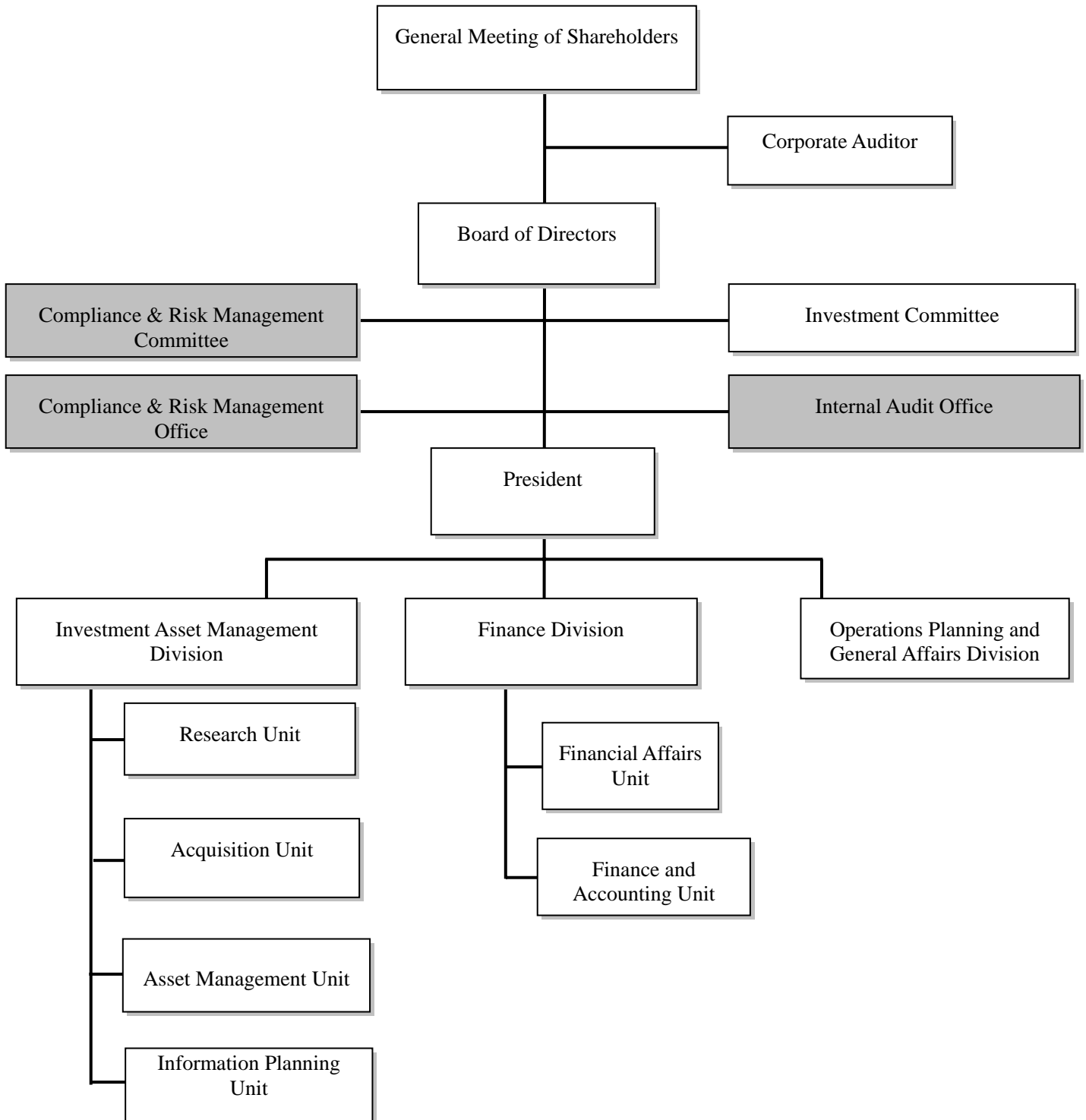
- Matters concerning the preparation of the Internal Audit Plan and execution of periodical audits based on it
- Matters concerning the conducting of special audits at the special order of the board of directors or president, etc.
- Matters concerning the preparation of the Internal Audit Report and reporting of audit results to the board of directors and the president
- Matters incidental to the above bullet points

3. Please refer to the attachment for a new organization chart.

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

[Attachment]

New Organization Chart



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