

December 1, 2006

For Immediate Release

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(Securities Code: 8965)

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Notice Concerning Investment Asset Acquisition Settlement

New City Residence Investment Corporation (“NCRI” or “the Investment Corporation”) today announced its acquisition of trust beneficiary interests in New City Residence Higashi Nihonbashi and New City Residence Yakumo. NCRI’s intention to acquire the properties was first disclosed in previous press releases the “Notice Concerning the Proposed Acquisition of Investment Assets,” dated May 31, 2006 (changed in the “Notice Concerning Scheduled Acquisition Date,” dated September 19, 2006). Brief details are as follows.

1. Acquisition Details

Property 1

Name: New City Residence Higashi Nihonbashi
Acquisition Price: ¥4,930 million
Acquisition Date: December 1, 2006

Property 2

Name: New City Residence Yakumo
Acquisition Price: ¥1,160 million
Acquisition Date: December 1, 2006

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

Notes:

- 1) Trust contracts for real-estate management and disposal, wherein the New City Residence Higashi Nihonbashi and New City Residence Yakumo are defined as the trust assets, will be terminated by consent upon the acquisition of the property by the NCRI and the NCRI acquires proprietary ownerships for the property.

For details of the above properties, please refer to the press releases “Notice Concerning the Proposed Acquisition of Investment Asset” dated May 31, 2006. Furthermore, the “Notice Concerning the Proposed Acquisition of Investment Asset” dated May 31, 2006 stated that master lease agreements were scheduled to be concluded with New City Property Services K.K. for each of the above properties. However, as of December 1, 2006, the plan is to conclude master lease agreements with New City Leasing One Y.K. New City Leasing One Y.K. constitutes a related party as defined in the internal rules of the Investment Corporation related to asset management. Thus, in accordance with those rules, the following entities discussed and resolved matters in connection with the signing of the master lease agreements:

- 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) The acquisition prices are exclusive of property tax, urban planning tax, consumption tax, and local consumption tax.

- 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>