



Moody's assigns A3 ratings to New City Residence Investment Corporation's series 2 and series 3 straight bonds

JPY 17 billion of debt securities affected

Tokyo, April 6, 2007 -- Moody's Investors Service has assigned its A3 ratings to New City Residence Investment Corporation's (NCR) issue of JPY 12 billion Series 2 Unsecured Straight Bonds due 2012 and JPY 5 billion Series 3 Unsecured Straight Bonds due 2014. These are the takedowns from NCR's JPY 100 billion domestic shelf registration of December 2006, which is rated (P)A3. The rating outlook is stable.

The ratings reflect NCR's stable cash flow, based on its diversified residential property portfolio; its leading position among Japanese residential REITs; its good asset acquisition, operating and management abilities; and its conservative financial policy. At the same time, the ratings incorporate the subordinated nature of NCR's unsecured straight bonds relative to its secured debt.

New City Residence Investment Corporation, listed in December 2004, is a Japanese Real Estate Investment Trust focusing on investment in and management of residential properties. Its asset management company, CBRE Residential Management K.K., is 42.5% owned by CB Richard Ellis Investors K.K., 42.5% by NEW CITY CORPORATION, 10.0% by CSK HOLDINGS CORPORATION, 2.5% by Mizuho Trust & Banking Co., Ltd. and 2.5% by Mitsubishi UFJ Trust and Banking Corporation.

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