



# NEWS RELEASE

No.2007-C-333

Apr 6, 2007

## R&I Assign A+ Stable:New City Residence Investment Corp

Rating and Investment Information, Inc. (R&I) has announced the following.

**ISSUER:** New City Residence Investment Corp. (Sec. Code: 8965)  
Preliminary Rating for the Shelf Registration scheme

**Long-term Issue Rating**  
**New Issue (issued under the Shelf Registration scheme)**

### R&I RATING:A+

#### **RATIONALE:**

New City Residence Investment Corp. (NCR) is a J-REIT that listed its shares on the stock exchange in December 2004. NCR specializes in residential property investment, and its sponsors include CB Richard Ellis Investors and New City Corporation. NCR's portfolio consists of relatively new rental housings located mainly in central Tokyo. NCR has a high-standard expertise in the acquisition of properties and their management. It also maintains relatively conservative financial strategies.

#### **R&I RATINGS:**

**ISSUER:** New City Residence Investment Corp. (Sec. Code: 8965)  
**ISSUE:** Preliminary Rating for the Shelf Registration scheme  
Bonds to be Rated: Corporate Bonds  
Issue Amount: Yen 100,000 million (Shelf Amount)  
Issue Period: Two years from Dec 08, 2006

**R&I RATING:** A+

The following ratings have been assigned to bonds to be issued under the shelf registration scheme rated above.

| LONG-TERM ISSUE RATING: | Issue Date   | Redemption   | Issue Amount (mn) |
|-------------------------|--------------|--------------|-------------------|
| Unsec. Str. Bonds No. 2 | Apr 12, 2007 | Apr 12, 2012 | Yen 12,000        |
| Unsec. Str. Bonds No. 3 | Apr 12, 2007 | Apr 11, 2014 | Yen 5,000         |
| <b>R&amp;I RATING:</b>  | A+           |              |                   |

#### **Notes/Financial covenants:**

1) negative pledge clause, which covers other unsecured domestic bonds the firm issued or may issue in the future, except those with a change of security status clause

**ISSUER RATING:** A+  
**RATING OUTLOOK:** Stable

Issuer Rating is R&I's opinion regarding an issuer's overall capacity to repay its entire financial obligation, and it will be assigned to all issuers. The rating of individual obligations (i.e. bonds and loans etc.) includes the prospect of recovery and reflects the terms and conditions of the agreement and it may be lower or higher than the Issuer Rating.

**Rating and Investment Information, Inc.** Nihonbashi 1-chome Bldg., 1-4-1, Nihonbashi, Chuo-ku, Tokyo 103-0027, Japan  
Structured Finance Rating Division TEL. 03-3276-3406-3428 FAX. 03-3276-3429 EMAIL sfdept@r-i.co.jp Homepage <http://www.r-i.co.jp>

Ratings are statements of R&I's opinion shown in certain symbols regarding an Issuer's general capacity (credit quality) to repay its financial obligation and individual debts (bonds and loans, etc.) and it is not a statement of recommendations to buy, hold, or sell any securities. Information has been obtained by R&I from sources believed to be reliable, however, its accuracy, adequacy, or completeness is not guaranteed. Therefore, R&I is not responsible for any errors or omissions or the result obtained from the use of the rating. As a general rule, R&I provides the rating services for a rating fee paid by the Issuer.

©Rating and Investment Information, Inc.