

April 13, 2007

For Immediate Release

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

Asset Management Company of Investment Trusts:
CBRE Residential Management K.K.
Tetsuya Fujita, President

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Notice Concerning the Proposed Sale of Investment Asset

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

1. Sale Details

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|---|---|
| ① Asset Type | : Beneficiary interests in trust that places real estate in trust |
| ② Property Names | : New City Residence Jinbocho |
| ③ Sale Price (planned) | : ¥3,275,000,000
(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 | June 10, 2005 |
| ⑤ Acquisition Price | : ¥2,803,000,000 |
| ⑥ Book Value | : ¥2,863,799,849 (As of August 31, 2006) |
| ⑦ Difference between Sale Price (planned) and Book Value | : ¥411,200,151 (difference between ③ and ⑥ above) |
| ⑧ Execution date of the trust beneficiary interests sale and purchase agreement (planned) | April 13, 2007 |
| ⑨ Delivery Date (planned) | June 29, 2007 |
| ⑩ Buyer | GE Real Estate - Japan (Please refer to 4. below for details) |
| ⑪ Sale Method | : Sale of beneficiary interests in trust that places real estate in trust to the above Buyer. |

2. 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

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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.

3. Profile of Investment Asset to be Sold

C-21 : New City Residence Jinbocho						
Address		(Residential) 3-7-4 Kanda-Ogawamachi, Chiyoda-ku, Tokyo		(Registry) 3-7-4 Kanda-Ogawamachi, Chiyoda-ku, Tokyo		
Land	Type of Ownership	Proprietary ownership		Building	Type of Ownership	Proprietary ownership
	Site Area	554.26m ²			Use	Apartment complex
	Zoning	Commercial zone			Construction/No. of Floors	SRC, 12F
	FAR/Building Coverage Ratio	600%/80%			Total Floor Space	3,612.36m ²
Trustee		Mitsubishi UFJ Trust and Banking Co.		Leasable Floor Space		3,201.83m ²
Trust Maturity Date		October 28, 2010		No. of Leasable Apartments		65
Acquisition Price (million yen)		2,803		Completion Date		September 7, 2004
PM Company	New City Property Service K.K.		Sublease Company	New City Property Service K.K.		
Appraisal Value (Base Date of Valuation, Appraisal Firm)		¥3,053 million (Appraised by Tanizawa Sogo Appraisal Co., Ltd as of March 31, 2007)				
Tenant Details		Number of tenants (Note 1)		1		
		Monthly Rent (Note 2)		¥15,192,787		
		Deposit (Note 2)		¥27,352,950		
		Occupancy Rate (Note 2)		92.9%		

Note1: The "Number of Tenants" is recorded as "1" where a single master lease has been executed with a sublease company.
Note2: Data as of February 28, 2007.

4. 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 : ¥21,241,000,000
- ⑤ Major Unitholders : NCRI has been unable to obtain the approval of the seller to disclose this information. Thus, NCRI considers the fact that the concerned information has not been disclosed is a circumstance that is due to circumstances that are outside of its realm of control.
- ⑥ Principal Activities : 1. Acquiring, owning, renting, managing and using real estate
2. Selling and purchasing real estate and related brokerage, appraisal services, etc.
- ⑦ Relationship with NCRI and Asset Management Company (Note) : Nil
- (Note) Asset Management Company: CBRE Residential Management K.K.

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5. 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.

6. Method of Payment

Payment is scheduled to take the form of repayment in full on the abovementioned planned date of sale.

7. Schedule for Sale

Please refer to 1. ⑧ and ⑨ above for details.

8. Outlook

The operating forecasts for the fiscal period ending in August 2007 (March 1, 2007 to August 31, 2007) that has factored in the impact of selling the asset proposed to be sold are scheduled to be disclosed in the financial report for the fiscal period ending in February 2007 (September 1, 2006 to February 28, 2007) that is to be released on April 24, 2007.

- 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 : Real Estate Portfolio after Planned Sale of Investment Asset

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	2.1%
	C-2	NCR Nishi Azabu Twin Tower	Dec. 17, 2004	3,315	1.9%
	C-3	NCR Nishi Azabu	Dec. 15, 2004	3,143	1.8%
	C-4	NCR Ochanomizu	Dec. 17, 2004	2,300	1.3%
	C-5	NCR Sangubashi	Dec. 15, 2004	1,734	1.0%
	C-6	NCR Shinjyuku Ichibankan	Dec. 15, 2004	1,978	1.1%
	C-7	NCR Shinujyuku Nibankan	Dec. 15, 2004	889	0.5%
	C-8	NCR Nihonbashi East	Dec. 15, 2004	1,622	0.9%
	C-9	NCR Nihonbashi West	Dec. 15, 2004	1,480	0.8%
	C-10	NCR Ginza Twin I	Dec. 15, 2004	1,133	0.6%
	C-11	NCR Ginza Twin II	Dec. 15, 2004	968	0.5%
	C-12	NCR Harajuku	Dec. 17, 2004	1,220	0.7%
	C-13	NCR Mita	Dec. 15, 2004	986	0.6%
	C-14	NCR Yoyogi Uehara	Dec. 17, 2004	765	0.4%
	C-15	NCR Sendagaya	Dec. 17, 2004	695	0.4%
	C-16	NCR Shinjyuku 7 Chome	Dec. 17, 2004	626	0.4%
	C-17	NCR Ichigaya Sanaicho	Dec. 17, 2004	577	0.3%
	C-18	NCR Ningyocho I	Feb. 25, 2005	1,230	0.7%
	C-19	NCR Ningyocho II	Feb. 25, 2005	1,290	0.7%
	C-20	NCR Shin Ochanomizu	Feb. 25, 2005	1,160	0.7%
	C-22	NCR Ningyocho III	Jun. 10, 2005	1,662	0.9%
	C-23	NCR Jinbocho II	Jul. 5, 2005	1,470	0.8%
	C-24	NCR Ginza East III	Jul. 5, 2005	841	0.5%
	C-25	NCR Shinjyuku Gyoen I	Jul. 28, 2005	3,140	1.8%
	C-26	NCR Sasazuka	Jul. 28, 2005	3,050	1.7%
	C-27	NCR Takanawadai	Jul. 28, 2005	1,180	0.7%
	C-28	NCR Nihonbashi Ningyocho IV	Jul. 28, 2005	842	0.5%
	C-29	NCR Shinjyuku Gyoen II	Jul. 28, 2005	580	0.3%
	C-30	NCR Ginza East IV	Jul. 28, 2005	510	0.3%
	C-31	NCR Takanawadai II	Sep. 21, 2005	1,530	0.9%
	C-32	NCR Minami Azabu	Sep. 21, 2005	840	0.5%
	C-33	NCR Minami Azabu East	Dec. 26, 2005	1,260	0.7%
	C-34	NCR Ginza	Apr. 27, 2006	4,000	2.3%
	C-35	NCR Nihonbashi Suitengu	Apr. 27, 2006	3,332	1.9%
	C-36	NCR Takanawa	Jan. 11, 2006	10,995	6.2%
	C-37	NCR Higashi Nihonbashi	Dec.1, 2006	4,930	2.8%
	C-38	Catherina Mita Towersuite (New City Residence)	Dec.22, 2006	16,200	9.2%
		Subtotal		-	87,256

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23 Wards of Tokyo Excluding the Five Central Tokyo Wards	M-2	NCR Todoroki	Dec. 15, 2004	1,850	1.0%	
	M-3	NCR Honjo Azumabashi	Dec. 15, 2004	1,122	0.6%	
	M-4	NCR Kitazawa	Dec. 17, 2004	1,070	0.6%	
	M-5	NCR Meguro	Dec. 17, 2004	1,050	0.6%	
	M-6	NCR Senzokukoen	Dec. 17, 2004	921	0.5%	
	M-8	NCR Monzennakacho	Dec. 15, 2004	524	0.3%	
	M-9	NCR Denenchofu	Dec. 17, 2004	511	0.3%	
	M-10	NCR Negishi	Dec. 17, 2004	356	0.2%	
	M-11	NCR Kamiikedai	Dec. 17, 2004	238	0.1%	
	M-12	NCR Otsuka	Feb. 25, 2005	1,290	0.7%	
	M-13	NCR Morishita	Feb. 25, 2005	985	0.6%	
	M-14	NCR Wakabayashi Koen	Apr. 21, 2005	970	0.6%	
	M-15	NCR Asakusabashi	Apr. 19, 2005	870	0.5%	
	M-16	NCR Gakugei Daigaku	May 31, 2005	1,210	0.7%	
	M-17	NCR Jiyugaoka	Jul 28, 2005	1,470	0.8%	
	M-18	NCR Mejiro East	Jul 29, 2005	1,080	0.6%	
	M-19	NCR Iriya	Jul 29, 2005	675	0.4%	
	M-20	NCR Ikebukuro	Sep. 21, 2005	3,227	1.8%	
	M-21	NCR Kanamecho	Jan. 11, 2006	1,360	0.8%	
	M-22	NCR Ueno Tower	Feb.1, 2006	2,990	1.7%	
	M-23	NCR Shinagawa Seaside Tower	Jun. 30, 2006	9,350	5.3%	
	M-24	NCR Yakumo	Dec. 1, 2006	1,160	0.7%	
	M-25	NCR Morishita West	Jun. 30, 2007 (planned)	810	0.5%	
	M-26	NCR Togoshiginza	Dec. 13, 2006	1,960	1.1%	
	Subtotal			-	37,049	21.0%

Tokyo Metropolitan Area Excluding the 23 Wards of Tokyo	G-1	NCR Yokohama East	Dec. 15, 2004	6,753	3.8%
	G-2	NCR Funabashi Honcho	Dec. 17, 2004	1,083	0.6%
	G-3	SH Motosumiyoshi	Dec. 15, 2004	1,058	0.6%
	G-4	NCR Toyoda	Dec. 15, 2004	1,053	0.6%
	G-5	NCR Nishi Funabashi	Dec. 17, 2004	997	0.6%
	G-6	NCR Maihama	Dec. 17, 2004	844	0.5%
	G-7	NCR Ichikawa Myoden	Dec. 17, 2004	769	0.4%
	G-8	NCR Kumegawa	Dec. 17, 2004	715	0.4%
	G-9	NCR Urayasu	Dec. 17, 2004	653	0.4%
	G-10	NCR Minami Gyotoku I	Dec. 17, 2004	648	0.4%
	G-11	NCR Minami Gyotoku II	Dec. 17, 2004	447	0.3%
	G-12	NCR Nogeiyama	Dec. 17, 2004	469	0.3%
	G-13	NCR Minamirinkan	Dec. 17, 2004	456	0.3%
	G-14	NCR Shonan	Dec. 17, 2004	445	0.3%
	G-15	LM Fuchinobe Honcho	Dec. 17, 2004	222	0.1%
	G-16	LM Higashi Ome Daisan	Dec. 17, 2004	175	0.1%
	G-17	PT Ichikawa	Jul. 28, 2005	620	0.4%
	G-18	PT Shioyaki	Jul. 28, 2005	310	0.2%

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	G-19	PT Horie	Jul. 28, 2005	193	0.1%
	Subtotal		-	17,910	10.2%

Other Regions	R-1	NCR Ohdori-koen	Dec. 17, 2004	726	0.4%
	R-2	Goshikiyama Heights	Dec. 15, 2004	720	0.4%
	R-3	NCR Nishikoen	Dec. 17, 2004	379	0.2%
	R-4	NCR Nishi Ohori	Dec. 17, 2004	258	0.1%
	R-5	NCR Kakogawa	Dec. 17, 2004	274	0.2%
	R-6	LM Maebashi Nishikatakai	Dec. 17, 2004	202	0.1%
	R-7	Aprire Tarumi	Feb. 25, 2005	1,710	1.0%
	R-9	Crest Kusatsu	Jun. 28, 2005	3,830	2.2%
	R-10	NCR Honmachi East	Dec 1, 2005	1,740	1.0%
	R-11	NCR Shin-Umeda	Dec.1, 2005	1,640	0.9%
	R-12	NCR Shizuoka Takasho	Mar. 30, 2006	770	0.4%
	R-13	NCR Abeno	Apr. 27, 2006	5,400	3.1%
	R-14	NCR Ohtedori	Apr. 27, 2006	382	0.2%
	R-15	NCR Sakae	Mar. 23, 2007	1,361	0.8%
	R-16	NCR Nipponbashi Kouzu	Jun. 30, 2006	4,780	2.7%
	R-17	NCR Maruyama Urasando (tentative name)	By Sep. 2007 (planned)	486	0.3%
	R-18	NCR Maruyama Omotesando (tentative name)	By Mar. 2008 (planned)	2,045	1.2%
	R-19	NCR Higashihie (tentative name)	By Nov. 2007 (planned)	1,230	0.7%
	R-20	NCR Shinsaibashi East Tower	Mar. 27, 2007	4,693	2.7%
	R-21	NCR Sannomiya	Mar. 27, 2007	1,485	0.8%
		Subtotal		-	34,111

Total			-	176,326	100.00%
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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." Above "Catherina Mita Towersuite (New City Residence)", the name of the building in its registry is "Catherina Mita Towersuite," but NCRI operate the tenants of the 264 units of the property that NCRI is acquiring under the name of "Catherina Mita Towersuite (New City Residence)".
3. The "Acquisition Price" is the amount identified in the trust beneficiary interest 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.

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