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For Immediate Release

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

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

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**Notice Concerning Personnel change at Asset Management Company of
Investment Trusts**

CBRE Residential Management K.K. (“CBRERM”), an Investment Trust Management company to which asset management is consigned, today announced personnel changes. Brief details are as follows.

Personnel Changes (as of July 31, 2007)

Name	New appointment	Present post
Jun Arai	President	Director and Chief Investment Officer of Investment & Asset Management Division
Tetsuya Fujita	Part-time Director	President

*The biography of appointed President is below.

CBRERM will notify the Director-General of the Financial Services Agency of the change in accordance with requirements stipulated in the Investment Trust Law and regulations as they relate to investment corporations. CBRERM will also notify details of the change to the Minister of Land, Infrastructure and Transportation and the Governor of Tokyo pursuant to the Building Lots and Buildings Transaction Business Law.

- 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.
- URL: <http://www.ncrinv.co.jp>

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Attachment

As the asset management company of New City Residence Investment Corporation (“the Investment Corporation”), CBRE Residential Management K.K. (“CBRERM”) has been dedicated to building a portfolio specializing in high-quality rental housing centering on the Tokyo Metropolitan Area through management aimed at securing consistent growth and stable revenues since the Investment Corporation listed on the Tokyo Stock Exchange in December 2004. As a result, the Investment Corporation has grown to own approximately 180 billion yen (total acquisition price) in assets centering on a high-quality portfolio of “close, new and large” properties and its aggregate market value of investment units issued and outstanding has surpassed 100 billion yen as of today. The Investment Corporation continues to grow as one of the major residential J-REITs. Simultaneously, a new rental living environment that accommodates diversified lifestyles is being created by promoting a “brand strategy” with “living like oneself” as a catchphrase and introducing original tenant service programs ahead of other J-REITs, such as the “New City Residence Card” and “New City 24.”

With intensifying competition over the acquisition of assets, rising long-term interest rates and such, the operating environment surrounding J-REITs is expected to increasingly evolve hereafter. Under such circumstances, the reinforcement of pipelines with sponsors and other partner firms, and the construction of a platform for the support of innovative and unique management in this new stage are believed to be imperative for further growth of the Investment Corporation in the next stage.

Tetsuya Fujita, who has served as President of CBRERM since the preparatory stages for the establishment of the Investment Corporation, has decided to move to New City Corporation K.K., which is one of our major sponsors. However, Mr. Fujita is scheduled to continue supporting CBRERM’s operations as a part-time Director. In addition, Jun Arai, who has been serving as the Chief Investment Officer and Director at CBRERM, will assume the new role as President and continue performing fair and highly transparent operations as well as working to maximize the Investment Corporation’s investor returns.

We are sure that this new stage of New City Residence Investment Corporation led by CBRE Residential Management K.K. under new management will live up to expectations.

【Message from *Tetsuya Fujita* (current President)】

For the more than three years since assuming the role of President at the first foreign-sponsored asset management company for a J-REIT in April 2004, I have been involved in building the portfolio and asset management of the Investment Corporation specialized in investment into high-quality rental housing. A portfolio size of 200 billion yen had been raised as a goal to be achieved in three years after listing (end of 2007). On the occasion of this goal now being within reach, I will, as Group Executive Vice President and Director of New City Corporation K.K. (“NCC”) and as a member of its senior executive team oversee and support NCC’s real estate investment, asset management, and development business for Japan and the Group’s international business. Furthermore, I will continue to support and advise CBRERM and the Investment Corporation as a sponsor and Director of CBRERM.

I am deeply grateful to have had the opportunity to contribute to the forming and management of a J-REIT, the financial product that carved the path to a new era, and to gain valuable experience and numerous acquaintances in the capital and financial markets. As one individual engaged in real estate investment and management inside and outside of Japan to date, it has been a sheer pleasure and I am truly grateful.

Allow me to extend my heartfelt appreciation to the many investors and others concerned that have supported the growth of CBRERM and the Investment Corporation to date, as well as everyone at CBRERM who were there in times of challenges and accomplishments.

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【Message from *Jun Arai* (appointed President) 】

New City Residence Investment Corporation listed on the Tokyo Stock Exchange in December 2004. Two years and six months later, its portfolio size grew about three-fold of the time of IPO. This was due to the ongoing support of investors and others concerned, for which I am extremely grateful.

With my appointment as President of the asset management company to succeed Mr. Fujita, I am gripped by a sense of the magnitude of responsibility in building upon the work of those before me who established the new financial product, J-REITs, as a presence that is recognized not only in Japan but the world over.

I believe that the Investment Corporation has a vital social mission to be a reliable and open financial product as a J-REIT specializing in housing, as well as to accumulate high-quality rental housing stock that is still limited in Japan compared to other European countries and the U.S.

In assuming the role of President, I pledge to join hands with all executive members in committing every effort to steadily carry out promises made previously and achieving long-term development of the Investment Corporation. I sincerely ask for your continued support and cooperation of CBRERM and New City Residence Investment Corporation.

Biography of appointed President

Title	Name	Biography	
President	Jun Arai	April 1982	Entered Sumitomo Realty & Development Co., Ltd. and assigned to Head Office of Residential Department High-rise Division
		September 1983	Assigned to Secretarial Room
		March 1987	Assigned to Head Office Residential Department Acquisition Division
		July 1997	Appointed to General Manager of the Nagoya Branch
		June 2001	Joined Land Business Co., Ltd. as a Director
		August 2005	Joined CBRE Residential Management K.K. as Deputy Chief Investment Officer of Investment Management Department
		November 2005	Appointed to Director and Chief Investment Officer
		February 2007	Appointed to Director and Chief Investment Officer of Investment & Asset Management Division
		July 2007	To be appointed to President of CBRE Residential Management K.K.

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