

June 28, 2007

**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.  
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**Notice Concerning Related-Party Transactions**

New City Residence Investment Corporation (“NCRI” or “the Investment Corporation”) today announced that matters relating to Related-Party Transactions have been discussed and resolved.

1. Concerning New City Residence Morishita West, which the Investment Corporation is scheduled to acquire, New City Property Service K.K. (“NCPS”) is planned to become the property management company and New City Leasing One Y.K. (“NCL1”) the sublease firm. The NCPS and NCL1 are defined as interested party (Note). Furthermore, in accordance with the internal rules of the Investment Corporation as they relate to asset management on transactions with interested parties, the following entities have discussed and determined matters in connection with the property management agreement and the sublease agreement:
  - The Investment Committee of the Asset Management Company (CBRE Residential Management K.K.)
  - The Compliance Committee of the Asset Management Company
  - The Board of Directors of the Asset Management Company
2. Concerning New City Residence Sannomiya, which the Investment Corporation had acquired on March 27, 2007, the lease agreement with KANSAI Ltd. will end on June 30, 2007, and, in correlation, NCL1 is scheduled to become the sublease firm. NCL1 is defined as interested party (Note). Furthermore, in accordance with the internal rules of the Investment Corporation as they relate to asset management on transactions with interested parties, the following entities have discussed and determined matters in connection with NCL1 becoming the sublease firm.

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- The Investment Committee of the Asset Management Company (CBRE Residential Management K.K.)
- The Compliance Committee of the Asset Management Company
- The Board of Directors of the Asset Management Company

(Note) Interested party is defined as the related-party, etc. defined in Article 15-2 of the Investment Trust Law, a shareholder with at least 10% share in the asset manager and an SPC established at the will of said party (SPCs as regulated under the Asset Liquidation Law, special limited company (tokurei yugen kaisha) or joint stock corporation (kabushiki kaisha) as regulated in the Law on Preparing Laws Related to the Implementation of the Company Law, etc. are included).

For details of the above property, please refer to the press release “Notice Concerning the Proposed Acquisition of Investment Asset” dated June 29, 2006 and March 22, 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.
- URL: <http://www.ncrinv.co.jp>

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