

July 31, 2007

**For Immediate Release**

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

Asset Management Company of Investment Trusts:  
CBRE Residential Management K.K.  
Jun Arai, President

Inquiries:  
Taizo Mouri, Chief Investment Officer  
TEL: +81-3-6229-3860

**Notice Concerning Investment Asset Acquisition Settlement**

New City Residence Investment Corporation (“NCRI”) today announced its acquisition of real estate in New City Residence Ichibancho. NCRI’s intention to acquire the property was first disclosed in the previous press release, the “Notice Concerning the Proposed Acquisition of Investment Asset,” dated April 24, 2007. Brief details are as follows.

**1. Acquisition Details**

Property

Name: New City Residence Ichibancho  
Acquisition Price: ¥965,000,000 (Note)  
Acquisition Date: July 31, 2007

Note: The acquisition prices are exclusive of property tax, urban planning tax, consumption tax, and local consumption tax.

**2. Property Profile**

In regard to the acquisition of the subject property, NCRI disclosed the “Notice Concerning the Proposed Acquisition of Investment Asset,” dated April 24, 2007. This is to reconfirm on the property profile with completion of construction. Housing type and floor plan are confirmed as follows.

Unit Type: Single Type 8%, Urban Family Type 68%, Family Type 23%  
Floor Plan: 8 1K (one bedrooms with kitchen) apartments,  
24 1DK+S (one bedroom with dining, kitchen, service room) apartments,  
36 1LDK (one bedroom with dining, kitchen, lounge) apartments.

Note: Figures are rounded to the nearest whole number. Thus, the above sum total may not necessarily be 100%.

Property Name	New City Residence Ichibancho	
Type of Acquisition	Real Estate	
Address (Note 1)	Residential	1-6-27,1-6-30, Ichibancho, Aoba-ku, Sendai-shi, Miyagi Prefecture

*This English language notice is a translation of the Japanese language notice issued on the same day and was prepared solely for the convenience of, and reference by, overseas investors. NCRI makes no warranties as to its accuracy or completeness.*

	Lot	1-6-26,1-6-27, Ichibancho, Aoba-ku, Sendai-shi, Miyagi Prefecture
Access	Approximately 9 minutes walk from Sendai station on Nanboku line, 13 minutes walk from Sendai station on JR line	
Use (Note 2)	Apartment complex	
Site Area (Note 1)	Land	772.50m <sup>2</sup>
	Building	3,091.03m <sup>2</sup>
Construction (Note 1)	A building: RC 10F, B building: RC 9F	
Probable maximum loss (Note 3)	2.7%	
Type of Ownership	Proprietary ownership	
Completion Date (Note 1)	June 1, 2007	
Acquisition Price	¥ 965,000,000	
Appraisal Firm	Daiwa Real Estate Appraisal Corporation	
Assessed Value	¥ 970,000,000	
Base Date for Survey	July 15, 2007	
Collateral	None	
Special Considerations	The building coverage ratio for the land of the real estate, which was 80%, is 100% due to deregulations on commercial zones and fire-resistant buildings in fire zones.	
Tenant Details	Number of Tenants (Note 4)	1
	Total No. of Leasable Apartments	68
	Total No. of Leased Apartments (Notes 5)	-
	Total Leasable Floor Space	2,800.32 m <sup>2</sup>
	Total Leased Floor Space (Note 5)	-
	Occupancy Ratio Based on Floor Space (Note 5)	-

Notes:

1. "Address (Lot)," "Site Area," "Construction," and "Completion Date" are as per register.
2. The principal use has been identified.
3. The probable maximum loss refers to the probability of the maximum loss from an earthquake. The probable maximum loss is based on the content of the earthquake risk analysis report prepared by OYO RMS and is the probability of the maximum loss that may result from an earthquake computed by OYO RMS using the natural disaster risk analysis software RiskLink® as having about a 0.21% annual exceedance probability of occurring (occurrence once every 475 years is equivalent to a 10% exceedance probability of occurring within 50 years)
4. In relation to this property, a lease agreement is scheduled to be concluded with the seller (Sennan House Industry Co., Ltd.) by the planned acquisition date and, based on the concerned lease agreement, the seller is set to pay NCRI a fixed amount (6,370,000 yen per month) as rent. However, the lease agreement is scheduled to end on January 30, 2008. After the lease agreement ends, NCRI plans to operate the property under the so-called sublease operation form whereby the entire building is leased to a sublease company and then each rental apartment sublet to third parties.
5. Data as of July 30, 2007.

For details of the above properties, please refer to the press releases "Notice Concerning the Proposed Acquisition of Investment Asset" dated April 24, 2007. (Excluding 2.Property Details (2)Property Profile (Scheduled for Acquisition))

**[Attachments]**

Photograph of the External Façade of the Property

- 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**

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