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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 Related-Party Transactions

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

1. Concerning New City Residence Uemachidai (tentative name), New City Residence Minowa (tentative name), New City Residence Nakano (tentative name), New City Residence Jiyugaoka West (tentative name), which NCRI is scheduled to acquire, NCRI plans to execute a property management agreement with New City Property Service K.K. (“NCPS”) and a master lease agreement with New City Leasing One Y.K. (“NCL1”) shortly after scheduled acquisition date.
2. Concerning New City Residence Omachi (tentative name), which NCRI is scheduled to acquire, NCRI plans to execute a property management agreement with New City Property Service K.K. (“NCPS”) shortly after scheduled acquisition date.
3. Concerning New City Residence Funabashi Honcho, New City Residence Maihama, New City Residence Ichikawamyoden, New City Residence Urayasu, New City Residence Minamigyotoku I, New City Residence Minamigyotoku II, which NCRI acquired in the first fiscal period ending August 31, 2005, NCRI plans to change the property management company to New City Property Service K.K. (“NCPS”) from Dainichi Co., Ltd..

The NCPS and NCL1 are defined as interested party (Note). Furthermore, in accordance with the internal rules of NCRI as they relate to asset management on transactions with interested party, the following entities have discussed and determined matters in connection with the property management agreement and the master lease agreement:

- The Investment Committee of the Asset Management Company
- The Compliance & Risk Management 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

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.

Company Law, etc. are included).

For details of the above properties, please refer to the press release “Notice Concerning the Proposed Acquisition of Investment Asset” dated April 24, 2007, June 28, 2007, July 13, 2007 and July 27, 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>