

August 28, 2007

**For Immediate Release**

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

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**Notice Concerning Investment Asset Acquisition Settlement**

New City Residence Investment Corporation (“NCRI”) today announced its acquisition of real estate in New City Residence Omachi, New City Residence Jiyugaoka West and New City Residence Nakano. (Note) Brief details are as follows.

(Note) Please refer to the press release “Notice Concerning the Proposed Acquisition of Investment Asset” dated April 24, 2007, June 28, 2007 and July 27, 2007 for property details.

**1. Acquisition Details**

Property 1

Name: New City Residence Omachi  
Acquisition Price: ¥841,500,000 (Note)  
Acquisition Date: August 28, 2007

Property 2

Name: New City Residence Jiyugaoka West  
Acquisition Price: ¥720,000,000 (Note)  
Acquisition Date: August 28, 2007

Property 3

Name: New City Residence Nakano  
Acquisition Price: ¥1,250,000,000 (Note)  
Acquisition Date: August 28, 2007

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

**2. Property Profile**

Property 1 New City Residence Omachi

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

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to reconfirm on the property profile with completion of construction. Housing type and floor plan are confirmed as follows.

Unit Type: Single Type 100%  
 Floor Plan: 24 1R (one room) apartments,  
 48 1K (one bedrooms with kitchen) apartments.

Property Name		New City Residence Omachi	
Type of Acquisition		Real Estate	
Address (Note 1)		Residential	2-5-8, Omachi, Aoba-ku, Sendai-shi, Miyagi Prefecture
		Lot	2-5-8, Omachi, Aoba-ku, Sendai-shi, Miyagi Prefecture
Access		Approximately 13 minutes walk from Hirose Dori station on Nanboku line	
Use (Note 1)		Apartment complex	
Site Area (Note 1)		Land	452.95 m <sup>2</sup>
		Building	2,717.13 m <sup>2</sup>
Construction (Note 1)		RC 13F	
Probable maximum loss (Note 2)		3.2%	
Type of Ownership		Proprietary ownership	
Completion (Note 1)		June 21, 2007	
Acquisition Price		¥841,500,000	
Appraisal Firm		Daiwa Real Estate Appraisal Corporation	
Appraisal Value		¥849,000,000	
Base Date for Survey		July 15, 2007	
Collateral		None	
Special Considerations		The building coverage ratio for the land of the real estate, which was originally 80%, is 100% due to deregulations on commercial zones and fire-resistant buildings in fire zones..	
Tenant Details	Number of Tenants (Note 3)	1	
	Rent (Note 4)	N/A	
	Deposit (Note 4)	N/A	
	Total No. of Leasable Apartments	72	
	Total No. of Leased Apartments (Note 4)	N/A	
	Total Leasable Floor Space	2,149.08 m <sup>2</sup>	
	Total Leased Floor Space (Note 4)	N/A	
	Occupancy Rate Based on Floor Space (Note 4)	N/A	

Notes:

1. "Address (Lot)," "Use," "Site Area," "Construction," and "Completion Date" are as per register.
2. 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)
3. In relation to this property, a lease agreement is scheduled to be concluded with the seller (Sennan House Industry Co., Ltd.) today and, based on the concerned lease agreement, the seller is set to pay NCRI a fixed amount (5,290,780 yen per month) as rent. However, the lease agreement is scheduled to end on February 27, 2008. The number indicated above is the number of tenant after a lease agreement is executed. 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.
4. Data as of August 28, 2007.

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For details of the above property, please refer to the press releases “Notice Concerning the Proposed Acquisition of Investment Asset” dated April 24, 2007. (Excluding 2.Property Details, Property 3: New City Residence Omachi (tentative name), (2)Property Profile (Scheduled for Acquisition)).

## Property 2 New City Residence Jiyugaoka West

In regard to the acquisition of the subject property, NCRI disclosed the “Notice Concerning the Proposed Acquisition of Investment Asset,” dated June 28, 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 61%, Urban Family Type 39%  
 Floor Plan: 7 1LDK (one bedroom with dining, kitchen, lounge) apartments,  
 3 1DK (one bedroom with dining, kitchen) apartments,  
 18 1R (one room) apartments.

Property Name		New City Residence Jiyugaoka West	
Type of Acquisition		Real Estate	
Address (Note 1)	Residential	7-14-13, Todoroki, Setagaya-ku, Tokyo	
	Lot	7-30-8, Todoroki, Setagaya-ku, Tokyo	
Access		Approximately 11 minutes walk from Oyamadai station on Tokyu Oimachi line	
Use (Note 1)		Apartment complex, Garage	
Site Area (Note 1)	Land	515.70 m <sup>2</sup>	
	Building	1,077.45 m <sup>2</sup>	
Construction (Note 1)		RC 3F / B1F	
Probable maximum loss (Note 2)		5.8%	
Type of Ownership		Proprietary ownership	
Completion (Note 1)		August 6, 2007	
Acquisition Price		¥720,000,000	
Appraisal Firm		Mitsui Real Estate Sales Co., Ltd.	
Appraisal Value		¥720,000,000	
Base Date for Survey		August 3, 2007	
Collateral		None	
Special Considerations		The building coverage ratio for the land of the real estate, which was originally 60%, is 70% due to deregulations as it is designated as a corner plot.	
Tenant Details	Number of Tenants (Note 3)	1	
	Rent (Note 4)	N/A	
	Deposit (Note 4)	N/A	
	Total No. of Leasable Apartments	28	
	Total No. of Leased Apartments (Note 4)	N/A	
	Total Leasable Floor Space	857.32 m <sup>2</sup>	
	Total Leased Floor Space (Note 4)	N/A	
	Occupancy Rate Based on Floor Space (Note 4)	N/A	

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Notes:

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2. 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)
3. The “Number of Tenants” is recorded as “1” where a single master lease has been executed with a sublessor company. Master lease agreements will be concluded in which the sublessor company to be the New City Leasing One Y.K. (NCL1). The number indicated above is the number of tenant after the master lease agreement is executed.
4. Data as of August 28, 2007.

For details of the above property, please refer to the press releases “Notice Concerning the Proposed Acquisition of Investment Asset” dated June 28, 2007. (Excluding 2.Property Details, Property 2: New City Residence Jiyugaoka West (tentative name), (2)Property Profile (Scheduled for Acquisition)).

Property 3 New City Residence Nakano

For details of the above property, please refer to the press releases “Notice Concerning the Proposed Acquisition of Investment Asset” dated July 27, 2007.

**[Attachments]**

Photograph of the External Façade of the Property  
(New City Residence Omachi and New City Residence Jiyugaoka West)

- 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.
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**Attachment**

Photograph of the External Façade of the Property  
Property 1 New City Residence Omachi



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Property 2 New City Residence Jiyugaoka West



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