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**For Immediate Release**

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(Securities Code: 8965)

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**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.

Concerning New City Residence Maruyama Urasando, 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”).

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 CBRE Residential Management K.K. (“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 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 September 26, 2006.

- 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/eng>

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*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.*