

September 14, 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 the Proposed Sale of Investment Assets**

New City Residence Investment Corporation (“NCRI”) today announced its decision to sell the following investment assets.

**1. Sale Details**

- ① Asset Type : Beneficiary interests in trust that places real estate in trust
- ② Property Names : New City Residence Shinjuku Ichibankan  
New City Residence Shinjuku Nibankan  
New City Residence Sasazuka
- ③ Total Sale Price (planned) : ¥6,667,000,000  
(exclusive of transfer costs, adjusted amount of property tax and urban planning tax, as well as consumption tax and local consumption tax)
- ④ Total Acquisition Price : ¥5,917,000,000
- ⑤ Total Book Value : ¥6,047,000,000 (As of February 28, 2007)
- ⑥ Difference between Total Sale Price (planned) and Total Book Value : ¥620,000,000 (difference between ③ and ⑤)
- ⑦ Execution date of the trust beneficiary interests sale and purchase agreement : September 14, 2007
- ⑧ Delivery Date (planned) : October 30, 2007
- ⑨ Buyer : KAG 8 Investment TMK  
(Please refer to 5. below for details)

**2. Details of Properties**

(1) New City Residence Shinjuku Ichibankan

- ① Asset Type : Beneficiary interests in trust that places real estate in trust
- ② Property Name : New City Residence Shinjuku Ichibankan
- ③ Sale Price (planned) : ¥2,181,000,000

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(exclusive of transfer costs, adjusted amount of property tax and urban planning tax, as well as consumption tax and local consumption tax)

- ④ Acquisition Date : December 15, 2004
- ⑤ Acquisition Price : ¥1,978,000,000
- ⑥ Book Value : ¥1,999,000,000 (As of February 28, 2007)
- ⑦ Difference between Sale Price (planned) and Book Value : ¥182,000,000 (difference between ③ and ⑥)
- ⑧ Execution date of the trust beneficiary interests sale and purchase agreement : September 14, 2007
- ⑨ Delivery Date (planned) : October 30, 2007
- ⑩ Buyer : KAG 8 Investment TMK  
(Please refer to 5. below for details)
- ⑪ Sale Method : Sale of beneficiary interests in trust that places real estate in trust to the above Buyer.

### (2) New City Residence Shinjuku Nibankan

- ① Asset Type : Beneficiary interests in trust that places real estate in trust
  - ② Property Name : New City Residence Shinjuku Nibankan
  - ③ Sale Price (planned) : ¥979,000,000
- (exclusive of transfer costs, adjusted amount of property tax and urban planning tax, as well as consumption tax and local consumption tax)

- ④ Acquisition Date : December 15, 2004
- ⑤ Acquisition Price : ¥889,000,000
- ⑥ Book Value : ¥900,000,000 (As of February 28, 2007)
- ⑦ Difference between Sale Price (planned) and Book Value : ¥79,000,000 (difference between ③ and ⑥)
- ⑧ Execution date of the trust beneficiary interests sale and purchase agreement : September 14, 2007
- ⑨ Delivery Date (planned) : October 30, 2007
- ⑩ Buyer : KAG 8 Investment TMK  
(Please refer to 5. below for details)
- ⑪ Sale Method : Sale of beneficiary interests in trust that places real estate in trust to the above Buyer.

### (3) New City Residence Sasazuka

- ① Asset Type : Beneficiary interests in trust that places real estate in trust
  - ② Property Name : New City Residence Sasazuka
  - ③ Sale Price (planned) : ¥3,507,000,000
- (exclusive of transfer costs, adjusted amount of property tax and urban planning tax, as well as consumption tax and local consumption tax)

- ④ Acquisition Date : July 28, 2005
- ⑤ Acquisition Price : ¥3,050,000,000
- ⑥ Book Value : ¥3,148,000,000 (As of February 28, 2007)
- ⑦ Difference between Sale Price (planned) and Book Value : ¥359,000,000 (difference between ③ and ⑥)
- ⑧ Execution date of the trust beneficiary interests sale and purchase agreement : September 14, 2007
- ⑨ Delivery Date (planned) : October 30, 2007
- ⑩ Buyer : KAG 8 Investment TMK  
(Please refer to 5. below for details)
- ⑪ Sale Method : Sale of beneficiary interests in trust that places real estate in trust to the above Buyer.

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### 3. Reasons for Sale

As a result of a comprehensive review based on the asset management targets and policy as designated in NCRI's Articles of Incorporation, which took into account trends in the real-estate trading market, prospects of developments in the area, revenue projections, state of individual properties, overall portfolio composition and other factors, NCRI made sure that the transfer timing, transfer value, etc. to be appropriate. NCRI thus decided to transfer these properties in an aim to enhance the portfolio and boost efficiency in its management over the medium- and long-term.

### 4. Profile of Investment Assets to be Sold

#### (1) New City Residence Shinjuku Ichibankan

C-6 : New City Residence Shinjuku Ichibankan					
Address	(Residential) 1-19-12 Kita Shinjuku, Shinjuku-ku, Tokyo		(Registry) 1-301-52 Kita Shinjuku, Shinjuku-ku, Tokyo		
Land	Type of Ownership	Proprietary ownership	Building	Type of Ownership	Compartmentalized ownership
	Site Area	1,018.29m <sup>2</sup>		Use	Apartment complex
	Zoning	Class 1 residential zone		Construction/No. of Floors	RC, 7F
	FAR/Building Coverage Ratio	300%/60%		Total Floor Space	2,558.28m <sup>2</sup>
Trustee	Mizuho Trust & Banking Co., Ltd.		Leasable Floor Space	2,235.58m <sup>2</sup>	
Trust Maturity Date	July 22, 2008		No. of Leasable Apartments	105 units	
Acquisition Price	¥1,978 million		Completion Date	May 28, 2002	
PM Company	New City Property Service K.K.		Sublease Company	New City Leasing One Y.K.	
Appraisal Value (appraisal firm, base date of valuation)	¥2,091 million (Appraised by Tanizawa Sogo Appraisal Co., Ltd as of August 31, 2007)				
Tenant Details	Number of tenants (Note 1)		1		
	Monthly Rent (Note 2)		¥16,728,000		
	Deposit (Note 2)		¥10,152,000		
	Occupancy Rate (Note 2)		98.9%		

Note1: The "Number of Tenants" is recorded as "1" where a single master lease has been executed with a sublease company.  
Note2: Data as of August 31, 2007.

#### (2) New City Residence Shinjuku Nibankan

C-7 : New City Residence Shinjuku Nibankan					
Address	(Residential) 1-21-16 Kita Shinjuku, Shinjuku-ku, Tokyo		(Registry) 1-301-2 Kita Shinjuku, Shinjuku-ku, Tokyo, and one other address		
Land	Type of Ownership	Proprietary ownership	Building	Type of Ownership	Compartmentalized ownership
	Site Area	779.81m <sup>2</sup>		Use	Apartment complex
	Zoning	Class 1 residential zone		Construction/No. of Floors	RC, 6F
	FAR/Building Coverage Ratio	300%/60%		Total Floor Space	1,129.86m <sup>2</sup>

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Trustee	Mizuho Trust & Banking Co., Ltd.		Leasable Floor Space	1,024.49m <sup>2</sup>
Trust Maturity Date	July 22, 2008		No. of Leasable Apartments	41 units
Acquisition Price	¥889 million		Completion Date	April 24, 2002
PM Company	New City Property Service K.K.	Sublease Company	New City Leasing One Y.K.	
Appraisal Value (appraisal firm, base date of valuation)		¥942 million (Appraised by Tanizawa Sogo Appraisal Co., Ltd as of August 31, 2007)		
Tenant Details		Number of tenants (Note 1)		1
		Monthly Rent (Note 2)		¥7,834,000
		Deposit (Note 2)		¥4,694,000
		Occupancy Rate (Note 2)		97.8%

Note1: The "Number of Tenants" is recorded as "1" where a single master lease has been executed with a sublease company.

Note2: Data as of August 31, 2007.

### (3) New City Residence Sasazuka

C-26 : New City Residence Sasazuka					
Address	(Residential) 1-61-17 Sasazuka, Shibuya-ku, Tokyo		(Registry) 1-61-7 Sasazuka, Shibuya-ku, Tokyo, and one other address		
Land	Type of Ownership	Proprietary ownership	Building	Type of Ownership	Proprietary ownership
	Site Area	909.33m <sup>2</sup>		Use	Apartment complex
	Zoning	Commercial zone		Construction/No. of Floors	RC, 10F
	FAR/Building Coverage Ratio	500%/80% 400%/80%		Total Floor Space	4,263.10m <sup>2</sup>
Trustee	Mitsubishi UFJ Trust and Banking Co.		Leasable Floor Space	3,701.70m <sup>2</sup>	
Trust Maturity Date	July 31, 2013		No. of Leasable Apartments	90 units	
Acquisition Price	¥3,050 million		Completion Date	September 7, 2004	
PM Company	New City Property Service K.K.		Sublease Company	New City Property Service K.K.	
Appraisal Value (appraisal firm, base date of valuation)		¥3,090 million (Appraised by Daiwa Real Estate Appraisal Co., Ltd. as of August 31, 2007)			
Tenant Details		Number of tenants (Note 1)		1	
		Monthly Rent (Note 2)		¥33,823,000	
		Deposit (Note 2)		¥14,322,000	
		Occupancy Rate (Note 2)		93.3%	

Note1: The "Number of Tenants" is recorded as "1" where a single master lease has been executed with a sublease company.

Note2: Data as of August 31, 2007.

## 5. Buyer Profile

- |                       |                                   |
|-----------------------|-----------------------------------|
| ① Company Name        | : KAG 8 Investment TMK            |
| ② Head Office Address | : 6-56-15 Kameido, Koto-ku, Tokyo |
| ③ Representative      | : Masaki Aguni                    |
| ④ Capital             | : ¥100,000                        |

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- ⑤ Major Unitholders NCRI has been unable to obtain the approval of the seller to disclose this information. Thus, NCRI considers the fact that the concerned information has not been disclosed is a circumstance that is due to circumstances that are outside of its realm of control.
- ⑥ Principal Activities : Liquidation of specified assets in accordance with the laws on assets transfer.
- ⑦ Relationship with NCRI and Asset Management Company (Note) : Nil  
(Note) Asset Management Company: CBRE Residential Management K.K.

## 6. Broker Profile

NCRI and the Asset Management Company have determined the following commission to be paid to Tokyu Livable, Inc. for its brokerage services. Tokyu Livable, Inc. has no interest in NCRI or the Asset Management Company:

Commission: ¥30,000,000 (excluding consumption tax)

## 7. Method of Payment

Payment is scheduled to take the form of repayment in full on the abovementioned planned date of delivery.

## 8. Schedule for Sale

Please refer to 1. ⑦ and ⑧ above for details.

## 9. Outlook

Sale of investment asset will not impact on the operating conditions for the fiscal period ending August 2007 (March 1, 2007 to August 31, 2007) that has factored in the impact of selling. The projected cash flow for the fiscal period ending February 2008 (September 1, 2007 to February 29, 2008) is scheduled to be released in the financial statements for the fiscal period ending August 2007 (March 1, 2007 to August 31, 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 Construction.
- URL: <http://www.ncrinv.co.jp/eng>

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**Attachment : Real Estate Portfolio after Planned Sale of Investment Assets**

Area	Property No.	Property Name	Acquisition Date	Acquisition Price (Millions of yen)	Percent of Total	
Central Tokyo (Five Central Tokyo Wards)	C-1	NCR Minami Aoyama	Dec. 15, 2004	3,783	2.03%	
	C-2	NCR Nishi Azabu Twin Tower	Dec. 17, 2004	3,315	1.78%	
	C-3	NCR Nishi Azabu	Dec. 15, 2004	3,143	1.69%	
	C-4	NCR Ochanomizu	Dec. 17, 2004	2,300	1.23%	
	C-5	NCR Sangubashi	Dec. 15, 2004	1,734	0.93%	
	C-8	NCR Nihonbashi East	Dec. 15, 2004	1,622	0.87%	
	C-9	NCR Nihonbashi West	Dec. 15, 2004	1,480	0.79%	
	C-10	NCR Ginza Twin I	Dec. 15, 2004	1,133	0.61%	
	C-11	NCR Ginza Twin II	Dec. 15, 2004	968	0.52%	
	C-12	NCR Harajuku	Dec. 17, 2004	1,220	0.65%	
	C-13	NCR Mita	Dec. 15, 2004	986	0.53%	
	C-14	NCR Yoyogi Uehara	Dec. 17, 2004	765	0.41%	
	C-15	NCR Sendagaya	Dec. 17, 2004	695	0.37%	
	C-16	NCR Shinjyuku 7 Chome	Dec. 17, 2004	626	0.34%	
	C-17	NCR Ichigaya Sanaicho	Dec. 17, 2004	577	0.31%	
	C-18	NCR Ningyocho I	Feb. 25, 2005	1,230	0.66%	
	C-19	NCR Ningyocho II	Feb. 25, 2005	1,290	0.69%	
	C-20	NCR Shin Ochanomizu	Feb. 25, 2005	1,160	0.62%	
	C-22	NCR Ningyocho III	Jun. 10, 2005	1,662	0.89%	
	C-23	NCR Jinbocho II	Jul. 5, 2005	1,470	0.79%	
	C-24	NCR Ginza East III	Jul. 5, 2005	841	0.45%	
	C-25	NCR Shinjyuku Gyoen I	Jul. 28, 2005	3,140	1.68%	
	C-27	NCR Takanawadai	Jul. 28, 2005	1,180	0.63%	
	C-28	NCR Nihonbashi Ningyocho IV	Jul. 28, 2005	842	0.45%	
	C-29	NCR Shinjyuku Gyoen II	Jul. 28, 2005	580	0.31%	
	C-30	NCR Ginza East IV	Jul. 28, 2005	510	0.27%	
	C-31	NCR Takanawadai II	Sep. 21, 2005	1,530	0.82%	
	C-32	NCR Minami Azabu	Sep. 21, 2005	840	0.45%	
	C-33	NCR Minami Azabu East	Dec. 26, 2005	1,260	0.68%	
	C-34	NCR Ginza	Apr. 27, 2006	4,000	2.15%	
	C-35	NCR Nihonbashi Suitengu	Apr. 27, 2006	3,332	1.79%	
	C-36	NCR Takanawa	Jan. 11, 2006	10,995	5.90%	
	C-37	NCR Higashi Nihonbashi	Dec.1, 2006	4,930	2.64%	
	C-38	Catherina Mita Towersuite (New City Residence)	Dec.22, 2006	16,200	8.69%	
		Subtotal		-	81,339	43.63%
	23 Wards of Tokyo Excluding the Five Central Tokyo Wards	M-2	NCR Todoroki	Dec. 15, 2004	1,850	0.99%
		M-3	NCR Honjo Azumabashi	Dec. 15, 2004	1,122	0.60%
		M-4	NCR Kitazawa	Dec. 17, 2004	1,070	0.57%
M-5		NCR Meguro	Dec. 17, 2004	1,050	0.56%	
M-6		NCR Senzokukoen	Dec. 17, 2004	921	0.49%	

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M-8	NCR Monzennakacho	Dec. 15, 2004	524	0.28%
M-9	NCR Denenchofu	Dec. 17, 2004	511	0.27%
M-10	NCR Negishi	Dec. 17, 2004	356	0.19%
M-11	NCR Kamiikedai	Dec. 17, 2004	238	0.13%
M-12	NCR Otsuka	Feb. 25, 2005	1,290	0.69%
M-13	NCR Morishita	Feb. 25, 2005	985	0.53%
M-14	NCR Wakabayashi Koen	Apr. 21, 2005	970	0.52%
M-15	NCR Asakusabashi	Apr. 19, 2005	870	0.47%
M-16	NCR Gakugei Daigaku	May 31, 2005	1,210	0.65%
M-17	NCR Jiyugaoka	Jul 28, 2005	1,470	0.79%
M-18	NCR Mejiro East	Jul 29, 2005	1,080	0.58%
M-19	NCR Iriya	Jul 29, 2005	675	0.36%
M-20	NCR Ikebukuro	Sep. 21, 2005	3,227	1.73%
M-21	NCR Kanamecho	Jan. 11, 2006	1,360	0.73%
M-22	NCR Ueno Tower	Feb.1, 2006	2,990	1.60%
M-23	NCR Shinagawa Seaside Tower	Jun. 30, 2006	9,350	5.01%
M-24	NCR Yakumo	Dec. 1, 2006	1,160	0.62%
M-25	NCR Morishita West	Jun. 29, 2007	810	0.43%
M-26	NCR Togoshiginza	Dec. 13, 2006	1,960	1.05%
M-27	NCR Minowa	Aug. 21, 2007	1,720	0.92%
M-28	NCR Jiyugaoka West	Aug. 28, 2007	720	0.39%
M-29	NCR Nakano	Aug. 28, 2007	1,250	0.67%
M-30	NCR Yoga (tentative name)	Oct. 19, 2007 (planned)	1,305	0.70%
M-31	NCR Sumiyoshi (tentative name)	Oct. 31, 2007 (planned)	1,170	0.63%
Subtotal			-	23.18%

Tokyo Metropolitan Area Excluding the 23 Wards of Tokyo	G-1	NCR Yokohama East	Dec. 15, 2004	6,753	3.62%
	G-2	NCR Funabashi Honcho	Dec. 17, 2004	1,083	0.58%
	G-3	SH Motosumiyoshi	Dec. 15, 2004	1,058	0.57%
	G-4	NCR Toyoda	Dec. 15, 2004	1,053	0.56%
	G-5	NCR Nishi Funabashi	Dec. 17, 2004	997	0.53%
	G-6	NCR Maihama	Dec. 17, 2004	844	0.45%
	G-7	NCR Ichikawa Myoden	Dec. 17, 2004	769	0.41%
	G-8	NCR Kumegawa	Dec. 17, 2004	715	0.38%
	G-9	NCR Urayasu	Dec. 17, 2004	653	0.35%
	G-10	NCR Minami Gyotoku I	Dec. 17, 2004	648	0.35%
	G-11	NCR Minami Gyotoku II	Dec. 17, 2004	447	0.24%
	G-12	NCR Noge-yama	Dec. 17, 2004	469	0.25%
	G-13	NCR Minamirinkan	Dec. 17, 2004	456	0.24%
	G-14	NCR Shonan	Dec. 17, 2004	445	0.24%
	G-15	LM Fuchinobe Honcho	Dec. 17, 2004	222	0.12%
	G-16	LM Higashi Ome Daisan	Dec. 17, 2004	175	0.09%
	G-17	PT Ichikawa	Jul. 28, 2005	620	0.33%
	G-18	PT Shioyaki	Jul. 28, 2005	310	0.17%

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	G-19	PT Horie	Jul. 28, 2005	193	0.10%	
	Subtotal		-	17,910	9.61%	
Other Regions	R-1	NCR Ohdori-koen	Dec. 17, 2004	726	0.39%	
	R-2	Goshikiyama Heights	Dec. 15, 2004	720	0.39%	
	R-3	NCR Nishikoen	Dec. 17, 2004	379	0.20%	
	R-4	NCR Nishi Ohori	Dec. 17, 2004	258	0.14%	
	R-5	NCR Kakogawa	Dec. 17, 2004	274	0.15%	
	R-6	LM Maebashi Nishikatakai	Dec. 17, 2004	202	0.11%	
	R-7	Aprire Tarumi	Feb. 25, 2005	1,710	0.92%	
	R-9	Crest Kusatsu	Jun. 28, 2005	3,830	2.05%	
	R-10	NCR Honmachi East	Dec 1, 2005	1,740	0.93%	
	R-11	NCR Shin-Umeda	Dec.1, 2005	1,640	0.88%	
	R-12	NCR Shizuoka Takasho	Mar. 30, 2006	770	0.41%	
	R-13	NCR Abeno	Apr. 27, 2006	5,400	2.90%	
	R-14	NCR Ohtedori	Apr. 27, 2006	382	0.20%	
	R-15	NCR Sakae	Mar. 23, 2007	1,361	0.73%	
	R-16	NCR Nipponbashi Kouzu	Jun. 30, 2006	4,780	2.56%	
	R-17	NCR Maruyama Urasando (tentative name)	Sep. 27, 2007 (planned)	486	0.26%	
	R-18	NCR Maruyama Omotesando (tentative name)	By Mar. 2008 (planned)	2,045	1.10%	
	R-19	NCR Higashihie (tentative name)	By Nov. 2007 (planned)	1,230	0.66%	
	R-20	NCR Shinsaibashi East Tower	Mar. 27, 2007	4,693	2.52%	
	R-21	NCR Sannomiya	Mar. 27, 2007	1,485	0.80%	
	R-22	NCR Kotodaikoen	Apr. 26, 2007	655	0.35%	
	R-23	NCR Ichibancho	Jul. 31, 2007	965	0.52%	
	R-24	NCR Omachi	Aug. 28, 2007	841	0.45%	
	R-25	NCR Uemachidai	Aug. 20, 2007	3,214	1.72%	
	R-26	NCR Higobashi Tower (tentative name)	Oct. 19, 2007 (planned)	4,200	2.25%	
		Subtotal		-	43,986	23.59%
	Total			-	186,449	

Notes:

1. “Central Tokyo (Five Central Tokyo Wards)” comprises Minato Ward, Shibuya Ward, Shinjuku Ward, Chiyoda Ward, and Chuo Ward. The “23 Wards of Tokyo Excluding the Five Central Tokyo Wards” comprises all 23 wards of Tokyo excluding the aforementioned five wards. “Tokyo Metropolitan Area Excluding the 23 Wards of Tokyo” comprises Tokyo Prefecture excluding the 23 wards of Tokyo, and Kanagawa, Chiba, and Saitama prefectures. “Other Regions” comprises all other areas excluding the aforementioned.
2. In the Property Name column above, “NCR” is the acronym for “New City Residence,” “LM” for “Lions Mansion,” and “SH” for “Sonnen Heim.” Above “Catherina Mita Towersuite (New City Residence),” the name of the building in its registry is “Catherina Mita Towersuite,” but NCR operate the tenants of the 264 units of the property that NCR is acquiring under the name of “Catherina Mita Towersuite (New City Residence)”.
3. The “Acquisition Price” is the amount identified in the trust beneficiary interest purchase agreement with conditions precedent, and does not include related costs such as consumption tax.
4. The “Percent of Total” column details the acquisition price of each investment asset as a percentage of the total acquisition price for the Investment Corporation’s aggregate real estate portfolio. Figures are rounded to the nearest first decimal point.

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