

March 25, 2008

**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:  
CBRE Residential Management K.K.  
Jun Arai, President

Inquiries:  
Osamu Inoue,  
General Manager of Operation Planning Department  
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 Maruyama Omotesando. 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 December 12, 2006. Brief details are as follows.

1. Acquisition Details

Name: New City Residence Maruyama Omotesando  
Acquisition Price: ¥2,045,000,000 (Note)  
Acquisition Date: March 25, 2008

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 December 12, 2006. This is to reinform on the property profile with completion of construction.

Property Name	New City Residence Maruyama Omotesando	
Type of Acquisition	Real Estate	
Address (Note 1)	Residential	2-1-21cho-me, Kita Ichijo Nishi, Chuo-ku, Sapporo-shi, Hokkaido
	Lot	46-29-21cho-me, Kita Ichijo Nishi, Chuo-ku, Sapporo-shi, Hokkaido
Access	Approximately 7 minutes walk from Nishi 18-chome station on Tozai line	
Use (Note 1)	Apartment complex	
Site Area (Note 1)	Land	1,583.12 m <sup>2</sup>
	Building	7,783.57 m <sup>2</sup>
Construction (Note 1)	RC, 14F	

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Probable maximum loss (Note 2)		0.1%
Type of Ownership		Proprietary ownership
Completion (Note 1)		February 12, 2008
Acquisition Price		¥2,045,000,000
Appraisal Firm		Mitsui Real Estate Sales Co., Ltd.
Appraisal Value		¥2,090,000,000
Base Date for Survey		February 26, 2008
Collateral		None
Special Considerations		None
Tenant Details	Number of Tenants (Note 3)	1
	Total No. of Leasable Apartments	146
	Total No. of Leased Apartments (Note 4)	-
	Total Leasable Floor Space	6,100.31 m <sup>2</sup>
	Total Leased Floor Space (Note 4)	-
	Occupancy Rate Based on Floor Space (Note 4)	-

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. 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 March 25, 2008.

### 3. Related-Party Transactions

In connection with the subject property, NCRI plans to execute a property management agreement with New City Property Services 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, it is intended that the following entities discuss and determine matters in connection with the property management agreement and the sublease agreement:

- The Investment Committee of the Asset Management Company
- The Compliance 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 201 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 (yugen kaisha) or joint stock corporation (kabushiki kaisha) etc. are included).

4. In regard to the acquisition of the subject property, NCRI reported the correction on the Contractor and Structural engineer for the press releases "Notice Concerning the Proposed Acquisition of Investment Asset" dated December 12, 2006 as follows.

(after correction)

Contractor: TBA → TOBISHIMA CORPORATION  
Structural engineer: Fujishima Kozo Sekkei Y.K. → Y.K. Toko Sekkei

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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 December 12, 2006. (Excluding 2. Property Details, Property 2: New City Residence Maruyama Omotesando (tentative name), (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/eng/>

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**Attachment**

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