

March 26, 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:
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**Notice Concerning Organizational Change and
Adoption of Executive Officer System at Asset Management Company**

CBRE Residential Management K.K. (“Asset Management Company”), to which New City Residence Investment Corporation (“NCRI”) consigns asset management, resolved at a meeting of its board of directors held on March 26, 2008 to change its internal organization and to adopt an executive officer system. Brief details are as follows.

1. Organizational Change (effective April 1, 2008)

(1) Objective of Organizational Change

The Asset Management Company decided to reorganize its organization and review some of the operations it oversees with the objective of reinforcing its organizational structure and heightening its operational efficiency. The existing divisions the Investment & Asset Management Division, Finance Division and Administration Division were integrated and reorganized to form the Investment & Asset Management Division, Finance Division and Administration Department, respectively. The result is a change from an organizational structure based on three divisions to an organizational structure based on two divisions. This change is intended to establish and reinforce an organizational structure that is capable of responding to changes in the harsh environment.

(2) Description of Primary Organizational Change

- The Operational Planning Department of the Investment & Asset Management Division will undergo developments and be reorganized as the Planning Department of the

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Investment & Asset Management Division, which will additionally be responsible for corporate planning functions.

- The Research & IR Department of the Investment & Asset Management Division will become the IR Department of the Investment & Asset Management Division and specialize in responding to investors and other IR matters.
- The Planning Department of the Administration Division will become the Capital Strategy Department of the Finance Division to centralize equity and debt financing operations to the Finance Division.
- The Administration Department of the Administration Division will be reorganized as the Administration Department to reinforce human resource operations.

2. Adoption of Executive Officer System (effective April 1, 2008)

The Asset Management Company decided to adopt an executive officer system to achieve prompt and efficient corporate management by clearly separating the corporate management decision-making and execution of operations, as well as to reinforce the Asset Management Company's competitiveness by appointing outstanding personnel in carrying out operations as executive officers.

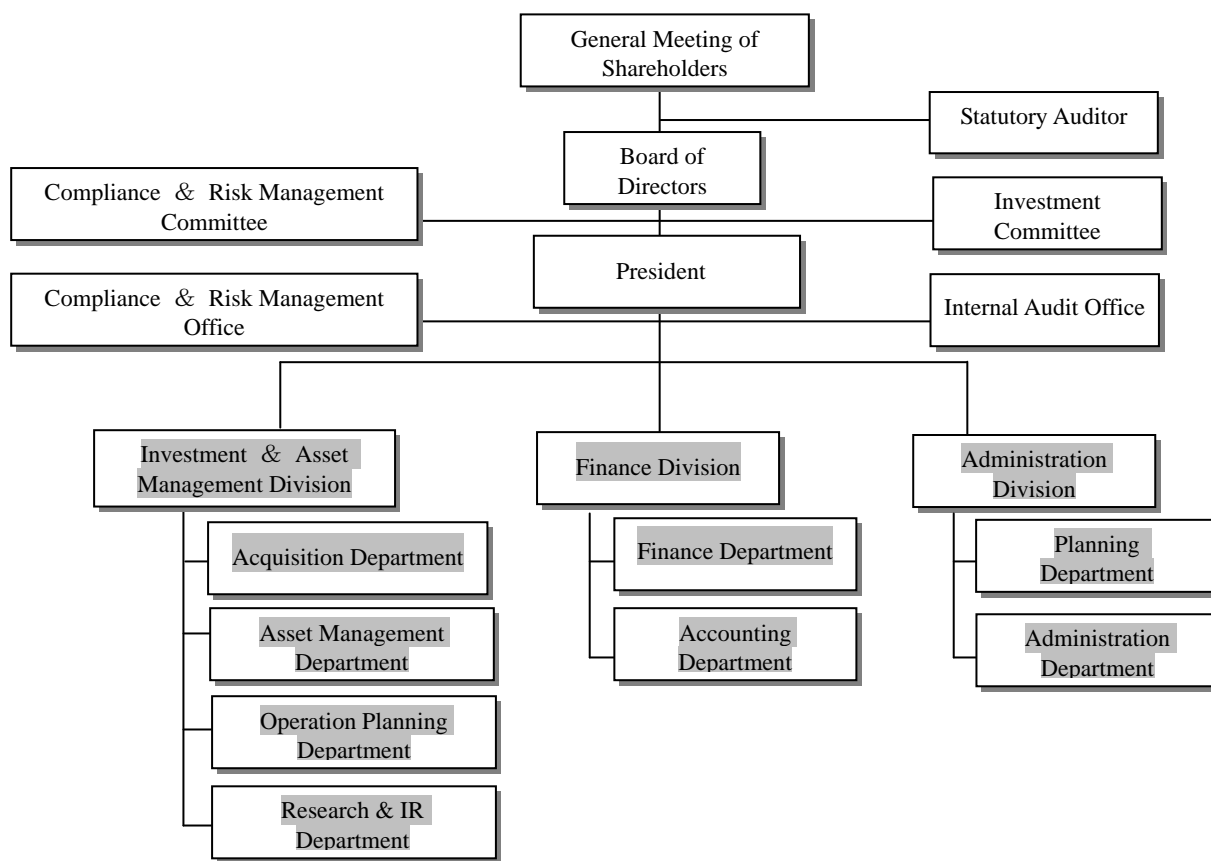
3. New Organization Chart

Please refer to the attachment for the organization chart before the change (current organization chart) and the organization chart after the change.

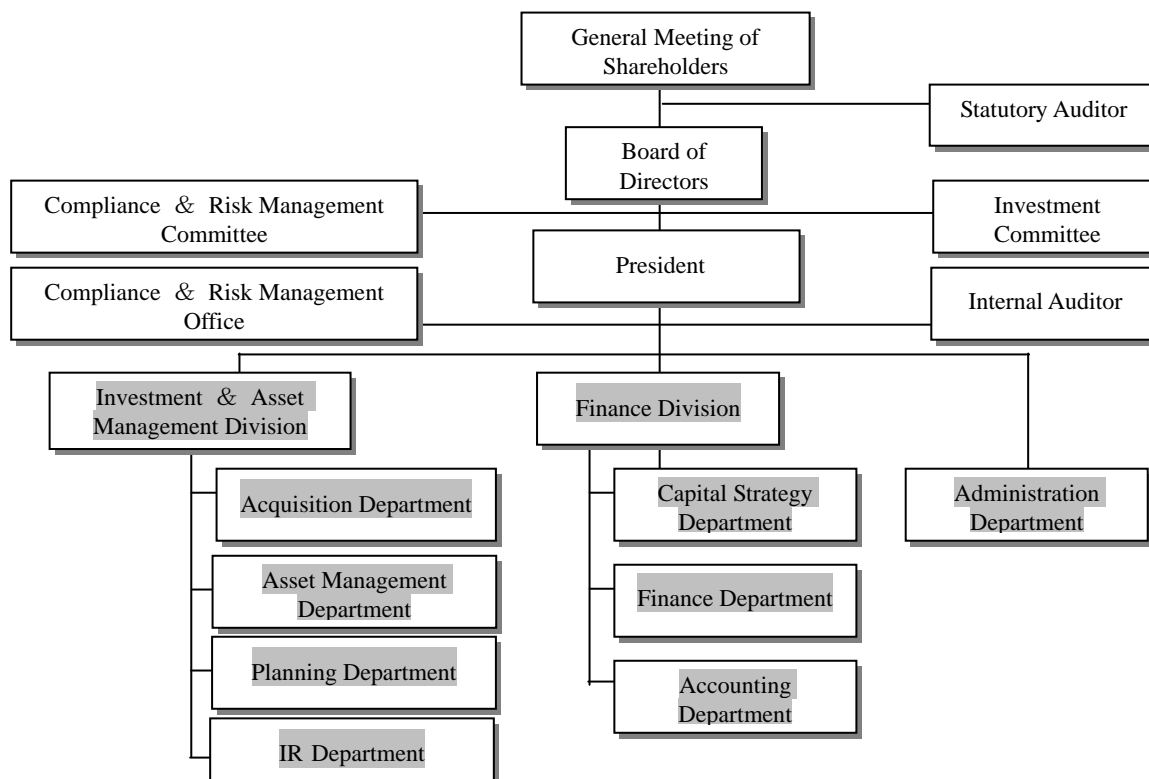
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- URL: <http://www.ncrinv.co.jp/eng/>

[Attachment]

Organization chart before the change (current organization chart)



Organization chart after the change



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【Overview of Each Department】

Investment & Asset Management Division	Acquisition Department	<ul style="list-style-type: none"> ① Matters concerning fundamental investment policies and standards for individual real estate and other property for the asset management of the Investment Corporation ② Matters concerning investment structures and methods ③ Matters concerning the collection of information for the purpose of acquiring individual real estate properties and other assets on behalf of the Investment Corporation, decisions relating to their acquisition or otherwise, purchase price, purchase negotiation, and execution of purchase agreements ④ Matters concerning the marketability and evaluation of individual real estate properties on behalf of the Investment Corporation ⑤ Other work incidental to the above items
	Asset Management Department	<ul style="list-style-type: none"> ① Matters concerning work on executing agreements, etc. related to the management of the Investment Corporation's assets (hereafter, "investments and other assets") ② Matters concerning the evaluation of management performance of investments and other assets ③ Matters concerning asset management planning and other management policies and plans of investments and other assets ④ Matters concerning the maintenance of individual real estate properties owned by the Investment Corporation ⑤ Matters concerning the exercising of voting rights, etc. of marketable securities classified under investments and other assets ⑥ Matters concerning the possibility of disposition of investments and other assets, as well disposition price, use of disposition proceeds, sales negotiations, and execution of sales agreements ⑦ Management and analysis of numerical information related to investments and other assets ⑧ Items pertaining to control of information related to asset management ⑨ Items pertaining to the development, administration and maintenance of asset management control systems ⑩ Custody and construction of the information platform (IT infrastructure) related to asset management ⑪ Other work incidental to the above items

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	<p>Planning Department</p>	<ul style="list-style-type: none"> ① Matters concerning research and analysis of domestic and international real estate, securities, financial and other markets, as well as general economic trends ② Matters concerning the research and development of approaches for investment and management of investments and other assets ③ Matters concerning the analysis of the portfolio of investments and other assets ④ Matters concerning the contracting, changing or terminating the management consignment agreements for assets ⑤ Matters concerning the safekeeping of various records in connection with the sale, purchase, lease and maintenance of assets of the Investment Corporation, and other issues in relation to the management thereof ⑥ Matters concerning the performance and quality standards of investments and other assets ⑦ Matters concerning the administrative office of the Investment Committee ⑧ Matters concerning compliance risk management within the Investment & Asset Management Division ⑨ Other work incidental to the above items
	<p>IR Department</p>	<ul style="list-style-type: none"> ① Matters concerning the provision of information to unitholders in connection with the management of the Investment Corporation's assets ② Matters concerning public relations of the Investment Corporation and the Asset Management Company ③ Matters concerning timely information disclosure of the Investment Corporation and the Asset Management Company ④ Other work incidental to the above items
<p>Finance Division</p>	<p>Capital Strategy Department</p>	<ul style="list-style-type: none"> ① Matters concerning the investigation and research of the investment corporation system, laws and ordinances, etc ② Matters concerning the formulation of capital policies ③ Matters concerning communicating and coordinating with the organization entrusted with general administration associated with operating the Investment Corporation (General Meeting of Unitholders, etc.) ④ Matters concerning negotiation with government agencies and the Investment Trusts Association ⑤ Matters concerning the Asset Securities Reports and other financial and accounting disclosure materials ⑥ Other work incidental to the above items

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	Finance Department	<ul style="list-style-type: none"> ① Matters concerning the funds procurement (including issue of investment corporation bonds and debt financing) for investments and other assets (including deliberation of the funds procurement's method, negotiation with the financial institutions) ② Matters concerning provision of information to creditors of the Investment Corporation, securities companies and registered financial institutions in connection with the sale of investment securities and the Investment Corporation's bonds ③ Matters concerning the formulation and amendment of basic policies in connection with the distribution of profits by the Investment Corporation ④ Matters concerning compliance risk management within the Finance Division ⑤ Other work incidental to the above items
	Accounting Department	<ul style="list-style-type: none"> ① Matters concerning accounting and settlement of accounts in connection with investments and other assets ② Matters concerning the payment of cash distributions generated from investments and other assets (exclude aforementioned ③ in Finance Department) ③ Matters concerning the safekeeping of copies of the Investment Corporation's records, including statutory books, ledger sheets, and other accounts ④ Matters concerning verification of various records in connection with the sale, purchase, lease, and maintenance of the Investment Corporation's Investment & Asset Management Division's assets, and other issues in relation to the management thereof, and of various ledger sheets exchanged among the Investment Corporation, Asset Custodian, and Administrative Agent ⑤ Matters concerning accounting, settlement of accounts and budgets of the Asset Management Company ⑥ Other work incidental to the above items

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Administration Department	<ul style="list-style-type: none"> ① Matters concerning project and operational planning for every facet of the Asset Management Company's operations ② Matters concerning the human resources, salaries, welfare and labor affairs of the Asset Management Company ③ Matters concerning the general affairs, documents and administration of the Asset Management Company ④ Matters concerning the establishment, amendment or abolishment of various rules and regulations ⑤ Matters concerning the shares, shareholders and general meeting of shareholders of the Asset Management Company ⑥ Matters concerning the administrative office of the Board of Directors ⑦ Matters concerning the handling of claims from outside customers ⑧ Matters concerning the storage of books and ledgers, including statutory books, and other important documents and other records of the Asset Management Company ⑨ Matters concerning communicating and coordinating with the organization entrusted with general administration associated with operating the Investment Corporation (Board of Directors, etc.) ⑩ Matters concerning compliance risk management within the Administration Department ⑪ Other work incidental to the above items
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