

April 18, 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:
Kazuyuki Iwasaki
Director, Managing Officer and CFO
TEL: +81-3-6229-3860

Notice Concerning Signing of Interest Rate Swap Agreements

New City Residence Investment Corporation (“NCRI”) announces the decision made today at a meeting of the Board of Directors to enter into interest rate swap agreements as follows.

1. Reason for Entering into Interest Rate Swap Agreements

To hedge against interest volatility risk by converting the interest rate payable into a fixed rate for the debt financing under a variable interest rate (borrowing period: 5 years; total amount: 1.7 billion yen) that will be executed on April 23, 2008.

Note: For detail on the aforementioned debt financing, please refer to “Notice Concerning Debt Financing” dated April 18, 2008.

2. Overview of Interest Rate Swap Agreements

(1) Interest Rate Swap Agreement

- | | |
|---------------------------------|--|
| 1 Counterparty (planned) (Note) | : The Sumitomo Trust & Banking, Co., Ltd.
Aozora Bank, Ltd.
The Chuo Mitsui Trust and Banking Co., Ltd. |
| 2 Notional principal (Note) | : ¥ 1.7 billion (Notional principal will allot by counterparty.) |
| 3 Interest rate (Note) | : Fixed interest payable:TBA
Variable interest receivable: 3-month Japanese Yen TIBOR+0.55% |
| 4 Effective date | : April 23, 2008 |
| 5 Termination date | : April 23, 2013 |
| 6 Interest payment dates | : The first payment shall be made on June 25, 2008 and ensuing payments made on the 25 th day of every March, June, September and December thereafter |

Note: Counterparty, notional principal for each counterparty, fixed interest payable and variable interest receivable shall be announced when it's made.

- 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, Transport and Tourism.
- URL: <http://www.ncrinv.co.jp/eng/>

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.