

April 22, 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

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**Notice Concerning the Proposed Sale of Investment Asset**

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 Gakugeidaigaku  
New City Residence Senzokukoen  
(hereafter, referred to as “investment assets to be sold”)
- ③ Total Sale Price (planned) : ¥2,210,000,000  
(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 : ¥2,131,000,000
- ⑤ Total Book Value : ¥2,184,192,512 (As of February 29, 2008)
- ⑥ Difference between Total Sale Price (planned) and Total Book Value : ¥25,807,488 (difference between ③ and ⑤)
- ⑦ Execution date of the trust beneficiary interests sale and purchase agreement : April 22, 2008
- ⑧ Delivery Date (planned) : May 13, 2008
- ⑨ Buyer : Please refer to 5. below for details

**2. Details of Properties**

(1) New City Residence Gakugeidaigaku

- ① Asset Type : Beneficiary interests in trust that places real estate in trust
- ② Property Name : New City Residence Gakugeidaigaku
- ③ Sale Price (planned) : ¥1,350,000,000

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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 : May 31, 2005
- ⑤ Acquisition Price : ¥1,210,000,000
- ⑥ Book Value : ¥1,251,805,846 (As of February 29, 2008)
- ⑦ Difference between Sale Price (planned) and Book Value : ¥98,194,154 (difference between ③ and ⑥)
- ⑧ Execution date of the trust beneficiary interests sale and purchase agreement : April 22, 2008
- ⑨ Delivery Date (planned) : May 13, 2008
- ⑩ Buyer : 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 Senzokukoen

- ① Asset Type : Beneficiary interests in trust that places real estate in trust
- ② Property Name : New City Residence Senzokukoen
- ③ Sale Price (planned) : ¥860,000,000

(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 17, 2004
- ⑤ Acquisition Price : ¥921,000,000
- ⑥ Book Value : ¥932,386,666 (As of February 29, 2008)
- ⑦ Difference between Sale Price (planned) and Book Value : ▲¥72,386,666 (difference between ③ and ⑥)
- ⑧ Execution date of the trust beneficiary interests sale and purchase agreement : April 22, 2008
- ⑨ Delivery Date (planned) : May 13, 2008
- ⑩ Buyer : 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. 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 the property in an aim to enhance the portfolio and boost efficiency in its management over the medium- and long-term.

## 4. Profile of Investment Asset to be Sold

M-16 : New City Residence Gakugeidaigaku					
Address	(Residential) 6-46-6 Shimouma, Setagaya-ku, Tokyo		(Lot) 6-54-2 Shimouma, Setagaya-ku, Tokyo, and two other addresses		
Land	Type of Ownership	Proprietary ownership	Building	Type of Ownership	Proprietary ownership
	Site Area	970.73m <sup>2</sup>		Use	Apartment complex
	Zoning	Class 1 exclusive residential zone for low-rise buildings		Construction/ No. of Floors	RC 4F

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	FAR/Building Coverage Ratio	150%/50%		Total Floor Space	1,919.59m <sup>2</sup>
Trustee		Mitsubishi UFJ Trust and Banking Co.		Leasable Floor Space	1,602.88m <sup>2</sup>
Trust Maturity Date		May 31, 2013		No. of Leasable Apartments	38 units
Acquisition Price		¥1,210 million		Completion Date	April 14, 2005
PM Company	New City Property Service K.K.		Sublease Company	New City Property Service K.K.	
Appraisal Value (appraisal firm, base date of valuation)		¥1,350 million (Appraised by Tokyo Joint Appraisal Office as of February 29, 2008)			
Tenant Details		Number of tenants (Note 1)		1	
		Monthly Rent (Note 2)		¥6,658,000	
		Deposit (Note 2)		¥12,522,000	
		Occupancy Rate (Note 2)		100.0%	

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 March 31, 2008.

M-6 : New City Residence Senzokukoen					
Address	(Residential) 2-11-1 Minami Senzoku, Ota-ku, Tokyo		(Lot) 2-200 Minami Senzoku, Ota-ku, Tokyo		
Land	Type of Ownership	Proprietary ownership	Building	Type of Ownership	Compartmentalized ownership
	Site Area	1,826.66m <sup>2</sup>		Use	Apartment complex
	Zoning	Class 1 exclusive residential zone for low-rise buildings		Construction/No. of Floors	RC 3F
	FAR/Building Coverage Ratio	100%/50%		Total Floor Space	1,818.62m <sup>2</sup>
Trustee		Mitsubishi UFJ Trust and Banking Co.		Leasable Floor Space	1,608.40m <sup>2</sup>
Trust Maturity Date		July 24, 2008		No. of Leasable Apartments	19 units
Acquisition Price		¥921 million		Completion Date	April 12, 1995
PM Company	New City Property Service K.K.		Sublease Company	New City Leasing Two Y.K.	
Appraisal Value (appraisal firm, base date of valuation)		¥888 million (Appraised by Tokyo Joint Appraisal Office as of February 29, 2008)			
Tenant Details		Number of tenants (Note 1)		1	
		Monthly Rent (Note 2)		¥4,731,000	
		Deposit (Note 2)		¥9,371,000	
		Occupancy Rate (Note 2)		94.2%	

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 March 31, 2008.

## 5. Buyer Profile

### (1) New City Residence Gakugeidaigaku

NCRI has been unable to obtain the approval of the buyer to disclose this information. Thus, NCRI has not disclosed the concerned information. NCRI and CBRE Residential Management K.K. (hereafter, Asset Management Company) have no personal or business

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relations with buyer.

(2) New City Residence Senzokukoen

NCRI has been unable to obtain the approval of the buyer to disclose this information. Thus, NCRI has not disclosed the concerned information. NCRI and CBRE Residential Management K.K. (hereafter, Asset Management Company) have no personal or business relations with buyer.

## 6. Broker Profile

(1) New City Residence Gakugeidaigaku

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: ¥13,500,000 (excluding consumption tax)

(2) New City Residence Senzokukoen

N/A

## 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

The projected cash flow for the fiscal period ending August 2008 (March 1, 2008 to August 31, 2008) is scheduled to be released in the financial statements for the fiscal period ending February 2008 (September 1, 2007 to February 29, 2008).

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

Area	Property No.	Property Name	Acquisition Date	Acquisition Price (Millions of yen)	Percent of Total
Tokyo Central Area	C-1	NCR Minami Aoyama	Dec. 15, 2004	3,783	1.70%
	C-2	NCR Nishi Azabu Twin Tower	Dec. 17, 2004	3,315	1.49%
	C-3	NCR Nishi Azabu	Dec. 15, 2004	3,143	1.41%
	C-4	NCR Ochanomizu	Dec. 17, 2004	2,300	1.03%
	C-5	NCR Sangubashi	Dec. 15, 2004	1,734	0.78%
	C-8	NCR Nihonbashi East	Dec. 15, 2004	1,622	0.73%
	C-9	NCR Nihonbashi West	Dec. 15, 2004	1,480	0.67%
	C-10	NCR Ginza Twin I	Dec. 15, 2004	1,133	0.51%
	C-11	NCR Ginza Twin II	Dec. 15, 2004	968	0.43%
	C-12	NCR Harajuku	Dec. 17, 2004	1,220	0.55%
	C-14	NCR Yoyogi Uehara	Dec. 17, 2004	765	0.34%
	C-15	NCR Sendagaya	Dec. 17, 2004	695	0.31%
	C-16	NCR Shinjyuku 7 Chome	Dec. 17, 2004	626	0.28%
	C-17	NCR Ichigaya Sanaicho	Dec. 17, 2004	577	0.26%
	C-18	NCR Nihonbashi Ningyocho I	Feb. 25, 2005	1,230	0.55%
	C-19	NCR Nihonbashi Ningyocho II	Feb. 25, 2005	1,290	0.58%
	C-20	NCR Shin Ochanomizu	Feb. 25, 2005	1,160	0.52%
	C-22	NCR Nihonbashi Ningyocho III	Jun. 10, 2005	1,662	0.75%
	C-23	NCR Jinbocho II	Jul. 5, 2005	1,470	0.66%
	C-24	NCR Ginza East III	Jul. 5, 2005	841	0.38%
	C-25	NCR Shinjyuku Gyoen I	Jul. 28, 2005	3,140	1.41%
	C-27	NCR Takanawadai	Jul. 28, 2005	1,180	0.53%
	C-28	NCR Nihonbashi Ningyocho IV	Jul. 28, 2005	842	0.38%
	C-29	NCR Shinjyuku Gyoen II	Jul. 28, 2005	580	0.26%
	C-30	NCR Ginza East IV	Jul. 28, 2005	510	0.23%
	C-31	NCR Takanawadai II	Sep. 21, 2005	1,530	0.69%
	C-32	NCR Minami Azabu	Sep. 21, 2005	840	0.38%
	C-33	NCR Minami Azabu East	Dec. 26, 2005	1,260	0.57%
	C-34	NCR Ginza	Apr. 27, 2006	4,000	1.80%
	C-35	NCR Nihonbashi Suitengu	Apr. 27, 2006	3,332	1.50%
	C-36	NCR Takanawa	Jan. 11, 2006	10,995	4.94%
	C-37	NCR Higashi Nihonbashi	Dec.1, 2006	4,930	2.22%
	C-38	Catherina Mita Towersuite (New City Residence)	Dec.22, 2006	16,200	7.28%
	C-39	NCR Shinjuku	Jan.30, 2008	3,597	1.62%
	C-40	NCR Meguro	Dec. 17, 2004	1,050	0.47%
	C-41	NCR Otsuka	Feb. 25, 2005	1,290	0.58%
	C-42	NCR Jiyugaoka	Jul 28, 2005	1,470	0.66%
	C-43	NCR Mejiro East	Jul 29, 2005	1,080	0.49%
	C-44	NCR Ikebukuro	Sep. 21, 2005	3,227	1.45%
	C-45	NCR Kanamecho	Jan. 11, 2006	1,360	0.61%
	C-46	NCR Shinagawa Seaside Tower	Jun. 30, 2006	9,350	4.20%
	C-47	NCR Yakumo	Dec. 1, 2006	1,160	0.52%

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C-48	NCR Togoshiginza	Dec. 13, 2006	1,960	0.88%
C-49	NCR Ikebukuro Precious Tower (tentative name)	By Oct. 31, 2008 (planned)	27,691	12.44%
C-50	NCR Togoshiekimae	Mar. 27, 2008	2,050	0.92%
Subtotal		-	135,638	60.95%

Tokyo 23 Wards excluding Tokyo Central Area	M-2	NCR Todoroki	Dec. 15, 2004	1,850	0.83%
	M-3	NCR Honjo Azumabashi	Dec. 15, 2004	1,122	0.50%
	M-4	NCR Kitazawa	Dec. 17, 2004	1,070	0.48%
	M-8	NCR Monzennakacho	Dec. 15, 2004	524	0.24%
	M-9	NCR Denenchofu	Dec. 17, 2004	511	0.23%
	M-10	NCR Negishi	Dec. 17, 2004	356	0.16%
	M-11	NCR Kamiikedai	Dec. 17, 2004	238	0.11%
	M-13	NCR Morishita	Feb. 25, 2005	985	0.44%
	M-14	NCR Wakabayashi Koen	Apr. 21, 2005	970	0.44%
	M-15	NCR Asakusabashi	Apr. 19, 2005	870	0.39%
	M-19	NCR Iriya	Jul 29, 2005	675	0.30%
	M-22	NCR Ueno Tower	Feb.1, 2006	2,990	1.34%
	M-25	NCR Morishita West	Jun. 29, 2007	810	0.36%
	M-27	NCR Minowa	Aug. 21, 2007	1,720	0.77%
	M-28	NCR Jiyugaoka West	Aug. 28, 2007	720	0.32%
	M-29	NCR Nakano	Aug. 28, 2007	1,250	0.56%
	M-30	NCR Yoga	Oct. 19, 2007	1,305	0.59%
	M-31	NCR Sumiyoshi	Oct. 31, 2007	1,170	0.53%
	M-33	NCR Monzennakacho East (tentative name)	By Aug. 31, 2008 (planned)	2,965	1.33%
	M-35	NCR Oshiage	Dec. 19, 2007	1,267	0.57%
M-36	NCR Kuramae (tentative name)	By Apr. 23, 2008 (planned)	1,628	0.73%	
Subtotal		-	24,996	11.23%	

Greater Tokyo excluding Tokyo 23 Wards	G-1	NCR Yokohama East	Dec. 15, 2004	6,753	3.03%
	G-2	NCR Funabashi Honcho	Dec. 17, 2004	1,083	0.49%
	G-3	SH Motosumiyoshi	Dec. 15, 2004	1,058	0.48%
	G-4	NCR Toyoda	Dec. 15, 2004	1,053	0.47%
	G-5	NCR Nishi Funabashi	Dec. 17, 2004	997	0.45%
	G-6	NCR Maihama	Dec. 17, 2004	844	0.38%
	G-7	NCR Ichikawa Myoden	Dec. 17, 2004	769	0.35%
	G-8	NCR Kumegawa	Dec. 17, 2004	715	0.32%
	G-9	NCR Urayasu	Dec. 17, 2004	653	0.29%
	G-10	NCR Minami Gyotoku I	Dec. 17, 2004	648	0.29%
	G-11	NCR Minami Gyotoku II	Dec. 17, 2004	447	0.20%
	G-12	NCR Nogeeyama	Dec. 17, 2004	469	0.21%
	G-13	NCR Minamirinkan	Dec. 17, 2004	456	0.20%
	G-14	NCR Shonan	Dec. 17, 2004	445	0.20%
	G-15	LM Fuchinobe Honcho	Dec. 17, 2004	222	0.10%
	G-16	LM Higashi Ome Daisan	Dec. 17, 2004	175	0.08%

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G-17	PT Ichikawa	Jul. 28, 2005	620	0.28%	
G-18	PT Shioyaki	Jul. 28, 2005	310	0.14%	
G-19	PT Horie	Jul. 28, 2005	193	0.09%	
Subtotal			-	17,910	8.05%

Regional Cities	R-1	NCR Ohdori-koen	Dec. 17, 2004	726	0.33%
	R-2	Goshikiyama Heights	Dec. 15, 2004	720	0.32%
	R-3	NCR Nishikoan	Dec. 17, 2004	379	0.17%
	R-4	NCR Nishi Ohori	Dec. 17, 2004	258	0.12%
	R-5	NCR Kakogawa	Dec. 17, 2004	274	0.12%
	R-6	LM Maebashi Nishikatakai	Dec. 17, 2004	202	0.09%
	R-7	Aprire Tarumi	Feb. 25, 2005	1,710	0.77%
	R-9	Crest Kusatsu	Jun. 28, 2005	3,830	1.72%
	R-10	NCR Honmachi East	Dec 1, 2005	1,740	0.78%
	R-11	NCR Shin-Umeda	Dec.1, 2005	1,640	0.74%
	R-12	NCR Shizuoka Takasho	Mar. 30, 2006	770	0.35%
	R-13	NCR Abeno	Apr. 27, 2006	5,400	2.43%
	R-14	NCR Ohtedori	Apr. 27, 2006	382	0.17%
	R-15	NCR Sakae	Mar. 23, 2007	1,361	0.61%
	R-16	NCR Nipponbashi Kouzu	Jun. 30, 2006	4,780	2.15%
	R-17	NCR Maruyama Urasando	Sep. 27, 2007	486	0.22%
	R-18	NCR Maruyama Omotesando	Mar. 25, 2008	2,045	0.92%
	R-19	NCR Hakataekihigashi	Nov. 30, 2007	1,230	0.55%
	R-20	NCR Shinsaibashi East Tower	Mar. 27, 2007	4,693	2.11%
	R-21	NCR Sannomiya	Mar. 27, 2007	1,485	0.67%
	R-22	NCR Kotodaikoen	Apr. 26, 2007	655	0.29%
	R-23	NCR Ichibancho	Jul. 31, 2007	965	0.43%
	R-24	NCR Omachi	Aug. 28, 2007	842	0.38%
	R-25	NCR Uemachidai	Aug. 20, 2007	3,214	1.44%
	R-26	NCR Higobashi Tower	Oct. 19, 2007	4,200	1.89%
	Subtotal			-	43,987
Total			-	222,530	100.00%

Notes:

1. "Tokyo Central Area" comprises Minato Ward, Shibuya Ward, Shinjuku Ward, Chiyoda Ward, Chuo Ward, Shinagawa Ward, Toshima Ward and Meguro Ward. The "Tokyo 23 Wards excluding Tokyo Central Area" comprises all Tokyo 23 wards excluding the aforementioned eight wards. "Greater Tokyo excluding Tokyo 23 Wards" comprises Tokyo Prefecture excluding Tokyo 23 wards, and Kanagawa, Chiba, and Saitama prefectures. "Regional Cities" 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 NCRI operate the tenants of the 264 units of the property that NCRI 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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