

July 24, 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 asset.

1. Sale Details

- ① Asset Type : Real Estate
- ② Property Name : New City Residence Shizuoka Takajo
- ③ Sale Price (planned) : ¥859,725,000
(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 : March 30, 2006
- ⑤ Acquisition Price : ¥770,000,000
- ⑥ Book Value : ¥820,625,175 (As of June 30, 2008)
- ⑦ Difference between Sale Price (planned) and Book Value : ¥39,099,825 (difference between ③ and ⑥)
- ⑧ Execution date of sale and purchase agreement : July 29, 2008
- ⑨ Delivery Date (planned) : July 29, 2008
- ⑩ Buyer : Please refer to 4. below for details.
- ⑪ Sale Method : Sale of real estate to the above Buyer.

2. 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

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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.

3. Profile of Investment Asset to be Sold

| | | | | | |
|--|--|--|--|----------------------------|--------------------------------|
| R-12 : New City Residence Shizuoka Takajo | | | | | |
| Address | (Residential) 2-14-8 Takajo, Aoi-ku, Shizuoka-shi, Shizuoka Prefecture | | (Lot) 2-14-4 Takajo, Aoi-ku, Shizuoka-shi, Shizuoka Prefecture | | |
| Land | Type of Ownership | Proprietary ownership | Building | Type of Ownership | Proprietary ownership |
| | Site Area | 510.55m ² | | Use | Apartment complex |
| | Zoning | Commercial zone | | Construction/No. of Floors | RC 12F |
| | FAR/Building Coverage Ratio | 400%/80% | | Total Floor Space | 1,938.36m ² |
| Acquisition Date | | March 30, 2006 | Leasable Floor Space | | 1,731.52m ² |
| Acquisition Price | | ¥770 million | No. of Leasable Apartments | | 45 units |
| PM Company | | New City Property Service K.K. | Sublease Company | | New City Property Service K.K. |
| Appraisal Value (appraisal firm, base date of valuation) | | ¥827 million (Appraised by Tokyo Joint Appraisal Office as of July 3, 2008) | | | |
| Tenant Details | | Number of tenants (Note 1) | | 1 | |
| | | Monthly Rent (Note 2) | | ¥5,007,084/month | |
| | | Deposit (Note 2) | | ¥9,301,000 | |
| | | Occupancy Rate (Note 2) | | 89.1% | |

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 June 30, 2008.

4. Buyer Profile

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.

5. Broker Profile

NCRI and the Asset Management Company have determined the following commission to be paid to Weez International Ltd. for its brokerage services. Weez International Ltd. has no interest in NCRI or the Asset Management Company:

Commission: ¥6,000,000 (excluding consumption tax)

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6. Method of Payment

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

7. Schedule for Sale

Please refer to 1. ⑧ and ⑨ above for details.

8. Outlook

The proposed sale of investment asset will have only a minor impact on operating condition in the fiscal period ending August 2008 (March 1, 2008 to August 31, 2008). There is no revision to the operating result forecasts.

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

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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 | 1.71% |
| | C-2 | NCR Nishi Azabu Twin Tower | Dec. 17, 2004 | 3,315 | 1.49% |
| | C-3 | NCR Nishi Azabu | Dec. 15, 2004 | 3,143 | 1.42% |
| | C-4 | NCR Ochanomizu | Dec. 17, 2004 | 2,300 | 1.04% |
| | 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 | 0.44% |
| | 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 | 1.42% |
| | 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 | 4.96% |
| | 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 | 7.31% |
| | 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 | 1.46% |
| | C-45 | NCR Kanamecho | Jan. 11, 2006 | 1,360 | 0.61% |
| | C-46 | NCR Shinagawa Seaside Tower | Jun. 30, 2006 | 9,350 | 4.22% |
| | 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 | 12.49% |
| C-50 | NCR Togoshiekimae | Mar. 27, 2008 | 2,050 | 0.92% |
| Subtotal | | - | 135,638 | 61.16% |

| | | | | | |
|--|------------------------------|--|-------------------------------|--------|-------|
| 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 | 0.51% |
| | 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 | 1.35% |
| | M-25 | NCR Morishita West | Jun. 29, 2007 | 810 | 0.37% |
| | M-27 | NCR Minowa | Aug. 21, 2007 | 1,720 | 0.78% |
| | 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 | 1.34% |
| | 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 | 11.27% | |

| | | | | | |
|---|------|-----------------------|---------------|-------|-------|
| Greater Tokyo excluding Tokyo 23 Wards | G-1 | NCR Yokohama East | Dec. 15, 2004 | 6,753 | 3.05% |
| | 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 | 0.21% |
| | 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 | 8.08% |

| | | | | | | |
|-----------------|----------|-----------------------------|---------------|-------|--------|--------|
| 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 Nishikoen | 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 | 1.73% | |
| | 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-13 | NCR Abeno | Apr. 27, 2006 | 5,400 | 2.44% | |
| | 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 | 2.16% | |
| | 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 | 2.12% | |
| | R-21 | NCR Sannomiya | Mar. 27, 2007 | 1,485 | 0.67% | |
| | R-22 | NCR Kotodaikoen | Apr. 26, 2007 | 655 | 0.30% | |
| | R-23 | NCR Ichibancho | Jul. 31, 2007 | 965 | 0.44% | |
| | R-24 | NCR Omachi | Aug. 28, 2007 | 842 | 0.38% | |
| | R-25 | NCR Uemachidai | Aug. 20, 2007 | 3,214 | 1.45% | |
| | R-26 | NCR Higobashi Tower | Oct. 19, 2007 | 4,200 | 1.89% | |
| | Subtotal | | | - | 43,217 | 19.49% |

| | | | |
|-------|---|---------|---------|
| Total | - | 221,761 | 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 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 C-38 "Catherina Mita Towersuite (New City Residence)", the name of the building in its registry is "Catherina Mita Towersuite," but NCR I operate the tenants of the 264 units of the property that NCR I 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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