



NEWS RELEASE

No.2008-C-887

Oct 9, 2008

New City Residence : R&I Downgrades to CCC

Rating and Investment Information, Inc. (R&I) has announced the following:

ISSUER: New City Residence Investment Corp. (Sec. Code: 8965)
Issuer Rating
Preliminary Rating for the Shelf Registration scheme

R&I RATING: Withdrawn (Formerly A+)

Long-term Issue Rating

R&I RATING: CCC (Downgraded from A+)

RATIONALE:

New City Residence Investment Corp. has filed for the court protection under the Civil Rehabilitation Law to the Tokyo District Court on October 9. With this, the Issuer Rating and the Rating for the Shelf Registration scheme have been withdrawn. R&I has downgraded the Long-term Issue Ratings to CCC from A+ given their relatively high collection ratios.

R&I RATINGS:

ISSUER: New City Residence Investment Corp. (Sec. Code: 8965)
ISSUER RATING: Withdrawn (Formerly A+)

ISSUE: Preliminary Rating for the Shelf Registration scheme
Bonds to be Rated: Corporate Bonds
Issue Amount: Yen 100,000 million (Shelf Amount)
Issue Period: Two years from Dec 08, 2006

R&I RATING: Withdrawn (Formerly A+)

LONG-TERM ISSUE RATING:	Issue Date	Redemption	Issue Amount (mn)
Unsec. Str. Bonds No. 2	Apr 12, 2007	Apr 12, 2012	Yen 12,000
Unsec. Str. Bonds No. 3	Apr 12, 2007	Apr 11, 2014	Yen 5,000

R&I RATING: CCC (Downgraded from A+)

Issuer Rating is R&I's opinion regarding an issuer's overall capacity to repay its entire financial obligation, and it will be assigned to all issuers. The rating of individual obligations (i.e. bonds and loans etc.) includes the prospect of recovery and reflects the terms and conditions of the agreement and it may be lower or higher than Issuer Rating.

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Ratings are statements of R&I's opinion shown in certain symbols regarding an Issuer's general capacity (credit quality) to repay its financial obligation and individual debts (bonds and loans, etc.) and it is not a statement of recommendations to buy, hold, or sell any securities. Information has been obtained by R&I from sources believed to be reliable, however, its accuracy, adequacy, or completeness is not guaranteed. Therefore, R&I is not responsible for any errors or omissions or the result obtained from the use of the rating. As a general rule, R&I provides the rating services for a rating fee paid by the Issuer.

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