

October 27, 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 Submission of Business Improvement Plans to the Financial Services
Agency and Kanto Local Finance Bureau**

New City Residence Investment Corporation (“NCRI”) and the asset management company of NCRI, CBRE Residential Management K.K. (the “Asset Management Company”), announced business improvement plans were submitted to and received by the Director-General of the Kanto Local Finance Bureau and Commissioner of the Financial Services Agency, respectively, on October 24, 2008. The business improvement plans were submitted in accordance with each of the business improvement orders dated October 9, 2008 received from the Director-General of the Kanto Local Finance Bureau and Commissioner of the Financial Services Agency that were announced in the “Notice Concerning Business Improvement Orders on NCRI and Asset Management Company” dated October 10, 2008.

NCRI and the Asset Management Company view these business improvement orders with the utmost seriousness and will respond sincerely to the matters pointed out. In addition, efforts will be devoted to the rehabilitation of NCRI in order to protect all unitholders, business partners and other related parties.

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

This English language notice is a summary 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.