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For Immediate Release

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Notice Concerning Extension of Deadline for Submission of Proposed Rehabilitation Plan

New City Residence (“NCRI”) sincerely appreciates your cooperation in the civil rehabilitation proceedings.

The deadline for submission of a proposed rehabilitation plan for NCRI’s civil rehabilitation proceedings was stated as being January 7, 2009 in a recent notice (please refer to the “Notice Concerning Decision on Commencement of Civil Rehabilitation Proceedings” dated October 14, 2008). A petition to extend this deadline for submission of a proposed rehabilitation plan was filed with the Tokyo District Court. NCRI announces that it today received approval for extension to April 7, 2009.

While procedures for sponsor election are currently well underway, NCRI has received requests from potential sponsors that substantially more time is required to conduct due diligence for proper assessment of the asset value of NCRI in light of NCRI’s portfolio size and number of assets. Although the election of a sponsor as earliest as possible would be in the best interests of NCRI, carrying out the procedures hastily would hinder potential sponsors from making fair assessments or adequate proposals and could thereby possibly be against the interests of unitholders. Consequently, in view of due diligence regarded to be necessary and reasonable being conducted by potential sponsors as well as negotiations with potential sponsors and drawing up of a proposed rehabilitation plan being appropriately conducted, a petition to extend the deadline for submission of a proposed rehabilitation plan was filed as stated above.

NCRI is devoted to the rehabilitation and kindly asks for your understanding and support.

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

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