

November 9, 2009

For Immediate Release

New City Residence Investment Corporation
3-2-31 Roppongi, Minato-ku, Tokyo
Jun Arai, Executive Director

Asset Management Company:
CBRE Residential Management K.K.
Hidekazu Higuchi, President and Representative Director

Inquiries:
Yasutaka Kato
General Manager, Planning Department
Investment & Asset Management Division
TEL: +81-3-6229-3860

Notice Concerning Submission of Proposed Rehabilitation Plan

New City Residence Investment Corporation (“NCRI”) announces that it submitted a proposed rehabilitation plan with the contents described below with the Tokyo District Court as of November 9, 2009.

1. Circumstances that Led to Submission of Proposed Rehabilitation Plan

As announced in the “Notice Concerning Letter of Intent for Rehabilitation Support from New Sponsors” dated September 18, 2009, NCRI signed into a letter of intent for rehabilitation support with Daiwa House Industry Co., Ltd. and BLife Investment Corporation (the “Letter of Intent”) on September 18, 2009. In response to this, NCRI submitted to the Tokyo District Court on November 9, 2009 a proposed rehabilitation plan (the “Proposed Rehabilitation Plan”) based on the premise of the rehabilitation scheme prescribed in the Letter of Intent.

2. Essentials of the Proposed Rehabilitation Plan

The basic policies of the rehabilitation plan intended in the Proposed Rehabilitation Plan are as follows:

- (1) For an absorption-type merger (the “Merger”) to take place between the rehabilitation debtor and BLife Investment Corporation with BLife Investment Corporation as the corporation surviving the Merger
- (2) For NCRI to undergo an increase in its capital through third-party allotment (the “Capital Increase through Third-Party Allotment”) in the amount of 6.0 billion yen paid in by Daiwa House Industry Co., Ltd. and any party designated by them
- (3) For the entire amount of the principal, etc. of rehabilitation claims to be paid to rehabilitation creditors in 4 lots over a 5-year period and to pay a certain amount as interest and default interest

Moreover, as of today, no merger agreement pertaining to the Merger or underwriting agreement pertaining to the Capital Increase through Third-Party Allotment have been signed. However, in the event that a merger agreement and underwriting agreement have been signed, we will promptly announce it. Furthermore, the Merger and the Capital Increase through Third-Party Allotment are scheduled with

This English language notice is a 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.

prerequisite conditions, including approval and authorization of the Proposed Rehabilitation Plan with such approval and authorization becoming final and conclusive in the course of the civil rehabilitation proceedings of NCRI, the Capital Increase through Third-Party Allotment is made subject to the effectiveness of the registration under the Financial Instruments and Exchange Law and other circumstances.

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

This English language notice is a 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.