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For Immediate Release

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Notice Concerning Agreement for the Underwriting of New Investment Units

New City Residence Investment Corporation (“NCRI”) announces that it signed into an agreement with Daiwa House Industry Co., Ltd. (“Daiwa House Industry”) on November 10, 2009 for the underwriting of new investment units, together with the signing into a merger agreement with BLife Investment Corporation (merger through merger agreement; the “Merger”) announced in a separate release today.

1. Events Leading Up to Signing the Underwriting Agreement

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 and BLife Investment Corporation (the “Proposed Rehabilitation Plan”) on September 18, 2009. Additionally, as announced in the “Notice Concerning Submission of Proposed Rehabilitation Plan” dated November 9, 2009, NCRI submitted to the Tokyo District Court on November 9, 2009 a proposed rehabilitation plan premised on the rehabilitation scheme prescribed in the letter of intent (the “Proposed Rehabilitation Plan”).

As a result, as announced in the “Notice Concerning Signing into Merger Agreement between BLife Investment Corporation and New City Residence Investment Corporation” dated today, NCRI signed into the merger agreement with BLife Investment Corporation on November 10, 2009 and the underwriting agreement with Daiwa House Industry on the same day.

2. Main Contents of the Underwriting Agreement

The overview of the capital increase through third-party allotment in the underwriting agreement (the “Capital Increase through Third-Party Allotment”) is as outlined below. Further, in the underwriting agreement it is stipulated that a total underwriting agreement will be concluded with Daiwa House Industry and/or any party designated by Daiwa House Industry with the consent of NCRI by the date prior to the payment due date in accordance with the provisions of the underwriting agreement.

This press release provides information regarding New City Residence Investment Corporation’s decision concerning agreement for the underwriting of new investment units, and is not provided as an inducement or invitation for investment. We caution readers to undertake investment decisions subject to individual determination and responsibility.

The party Daiwa House Industry designates with the consent of NCRI is planned to be determined by the time a resolution is made on the issuance offering of investment units at a meeting of NCRI's board of directors scheduled to be held in December 2009. The number of new investment units to be issued through the Capital Increase through Third-Party Allotment will be 65.9% of NCRI's total number of investment units issued (182,068 units), and 39.72% of the total number of investment units issued (302,068 units) after the completion of the Capital Increase through Third-Party Allotment. The following schedule is subject to change.

- (i) Method of offering
Increase of capital through a third-party allotment to Daiwa House Industry and/or any party designated by Daiwa House Industry with the consent of NCRI
- (ii) Number of investment units to be offered
120,000 units
- (iii) Payment amount
50,000 yen per unit
- (iv) Total payment amount
6.0 billion yen
- (v) Payment due date
January 15, 2010
- (vi) Funds use
Funds for payment of rehabilitation claims, etc.
- (vii) Lock-up
Daiwa House Industry shall not sell to a third party or otherwise dispose of the investment units that it will be allotted as a result of the Capital Increase through Third-Party Allotment (BLife Investment Corporation investment units allotted and delivered for such investment units at the time of the Merger in the event that the Merger takes effect) without the prior consent of NCRI (BLife Investment Corporation in the event that the Merger takes effect) for a period of twelve months after the effective date of the Merger. Further, the handling of investment units allotted to any party designated by Daiwa House Industry with the consent of NCRI shall be determined based on separate discussions.
- (viii) Prerequisite conditions
The Capital Increase through Third-Party Allotment is with 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/>

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