



NOMURA
Residential Fund

For Translation Purposes Only

September 14, 2007

For Immediate Release

Nomura Real Estate Residential Fund, Inc.
Nobuyuki Hamada, Representative and Executive Director
(Securities Code: 3240)

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Notice Concerning Property Acquisition

Nomura Real Estate Residential Fund, Inc. (“Nomura Residential Fund” or the “Fund”) announced today that it has determined, and reached an agreement with the seller to acquire real estate, as briefly explained below.

1. Summary of the Assets

(1) PRIME URBAN Meguro Riverside

Type of Asset	Real estate
Property Name (Note)	PRIME URBAN Meguro Riverside
Acquisition Price	¥464,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	September 14, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	September 27, 2007 (date of delivery of the real estate)
Seller	Shimada House Co., Ltd. (refer to “6. Seller Profile” below)
Financing	Debt financing
Form of Payment	Payment in full at the time of purchase

(Note) Although the current property name is “Grand Asset Meguro”, the Fund plans to change the name to the one stated above at the earliest opportunity, after the acquisition.

(2) PRIME URBAN Nishi Waseda

Type of Asset	Real estate
Property Name (Note)	PRIME URBAN Nishi Waseda
Acquisition Price	¥503,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	September 14, 2007 (date of agreement on purchase and sale of the real estate)

Scheduled Date of Acquisition	September 27, 2007 (date of delivery of the real estate)
Seller	Shimada House Co., Ltd. (refer to “6. Seller Profile” below)
Financing	Debt financing
Form of Payment	Payment in full at the time of purchase

(Note) Although the current property name is “Grand Asset Nishi Waseda”, the Fund plans to change the name to the one stated above at the earliest opportunity, after the acquisition.

2. Reasons for Acquisition

Nomura Residential Fund will acquire the Property in accordance with the Fund’s policies as stipulated in the Articles of Incorporation. The Fund places particular value on the following factors.

(1) PRIME URBAN Meguro Riverside

- This property is a 9-minute walk from Meguro Station, accessible to 4 lines, the JR Yamanote Line, Tokyu Meguro Line, Tokyo Metro Namboku Line, and Toei Subway Mita Line. It also has excellent access to major business and commercial areas such as the Ebisu area (approx. 2 minutes on the JR Yamanote Line to Ebisu Station), the Shibuya area (approx. 4 minutes on same line to Shibuya Station), the Shinjuku area (approx. 11 minutes on same line to Shinjuku Station), Roppongi/Tameike area (approx. 11 minutes on the Tokyo Metro Namboku Line to Tameike Sanno Station), and the Otemachi area (approx. 20 minutes on the Toei Subway Mita Line to Otemachi Station).
- This property, set back from the highway, is located in a quiet residential area close to the Meguro River, and in addition to the cherry blossom trees lined along the river, it has green filled facilities such as “Meguro Gajoen”, “Meguro Fudosen Temple”, “Rinshi no Mori Park”, etc. in the surrounding area, giving the Property excellent livability.
- This property consists of 6 room types (1K), and in addition to 15 of the 24 units being a corner room with natural light on two sides, the exterior/entrance etc. designs and interior specifications etc. of this property has plenty of appeal towards tenants.
- As stated above, the Fund expects steady demand from single adults and/or a wide range of tenants.

(2) PRIME URBAN Nishi Waseda

- This property is a 10-minute walk from Waseda Station on the Tokyo Metro Tozai Line, and has excellent access to the business areas in the city, such as the Otemachi area (approx. 11 minutes on the Tokyo Metro Tozai Line to Otemachi Station) and the Nihobashi area (approx. 12 minutes on the same line to Nihonbashi Station).
- As this property is located within walking distance to various universities like Waseda University (3 minute walk) and others such as Japan Women’s University, Gakushuin University, Gakushuin Women’s University, etc., it can expect stable needs from not only adults who commute to the city, but also people affiliated with the surrounding universities (faculty, students, etc.).
- This property consists of a total of 9 room layouts (1R/1K), including units with a roof terrace, and has the merchantability to meet the needs of the tenant class mentioned above with its exterior design, interior specifications, etc.

3. Property Summary

(1) PRIME URBAN Meguro Riverside

Property Name		PRIME URBAN Meguro Riverside			
Type of Asset		Real Estate			
Location (Note 1)	Registry	2-219-1 Shimo Meguro, Meguro-ku Tokyo			
	Street Address	2-10-16 Shimo Meguro, Meguro-ku Tokyo			
Access		9-minute walk to Meguro Station on the JR Yamanote Line, Tokyu Meguro Line, Tokyo Metro Nanboku Line, and Toei Subway Mita Line. 8-minute walk to Fudomae Station on the Tokyu Meguro Line.			
Land	Ownership	Ownership			
	Area (Note 1)	261.98 sq. meters			
	Building Coverage	60%			
	Floor Area Ratio (Note 2)	240%			
Building	Ownership	Ownership			
	Use (Note 1)	Apartment building			
	Completion Date (Note 1)	December 27, 2006			
	Total Floor Area (Note 1)	604.41 sq. meters			
	Structure (Note 1)	RC, B1/5F			
	Leasable Units (Note 3)	24 Units (under 30 sq. meters: 24 units)			
Property Management Company		Shimada House Co., Ltd. (Note 4)			
Master Leasing Company		Shimada House Co., Ltd. (Note 5)			
Type of Master Lease		Pass-through Structure (Note 6)			
Collateral		None			
Notes		None			
Acquisition Price		¥464,000 thousand			
Appraisal	Appraisal Method	Price survey by Daiwa Real Estate Appraisal Co., Ltd.			
	Appraisal Value	¥464,000 thousand			
	Appraisal Date	July 31, 2007			
Estimated NOI (Note 7)		¥22,142 thousand			
Leasing Status (as of September 14, 2007)					
Total Number of Tenants (Note 8)		24			
Total Rental Income		¥27,936 thousand			
Security Deposits		¥4,368 thousand			
Occupancy Rate		100%			
Total Leased Floor Area (Note 9)		453.77 sq. meters			
Total Leasable Floor Area (Note 3)		453.77 sq. meters			
Past Occupancy Rates	May 31, 2003	May 31, 2004	May 31, 2005	May 31, 2006	May 31, 2007
	—%	—%	—%	—%	100%

(Note 1) Location and Other Items

Location (registry) and Area are based on the information in the real estate registry. As the building is still under construction, Use, Completion Date, Total Floor Area, and Structure are based on the information in the building permit. Also, Area includes the approx. 16.03 sq. meter section (private road) and the approx. 10.21 sq. meter section (setback), which is regarded as a road under Article 42, Paragraph 2 of the Building Standard Law.

- (Note 2) **Floor Area Ratio**
The Property's Floor Area Ratio limit was originally set at 300%, but the frontal road regulation (4.00 meters \times 60%) is prioritized.
- (Note 3) **Leasable Units and Total Leasable Floor Area**
Leasable Units indicates the number of leasable units as of today (which includes the number of stores, if any). Also, Total Leasable Floor Area indicates the total floor area of the leasable residences as of today (in the case where the common area, etc. is leased, the said area is also included. The Total Leasable Floor Area is not based on the real estate registry, but the floor area indicated in the lease agreement or the floor area calculated from the building as-built drawing, etc., and will not always equal, and at times may be higher than, the floor area written in the real estate registry).
- (Note 4) **Property Management Company**
The scheduled property management company after the acquisition is stated.
- (Note 5) **Master Leasing Company**
The master leasing company scheduled to enter into a master lease agreement after the completion of the acquisition is stated.
- (Note 6) **Type of Master Lease**
The type of master lease scheduled for use upon completion of the acquisition is stated. Pass-through Structure refers to a lease structure involving the master lease company paying an amount the same as rent, based on the lease agreement with the end-tenant.
- (Note 7) **Estimated NOI**
NOI stands for Net Operating Income, and is the amount of the Property's rental income, minus the total of all leasing business expenses.
Estimated NOI is the fiscal year's estimated figure, excluding the special causes during the first year of acquisition, and is prepared under the terms mentioned below. That said, the stated amount, therefore, is not the Fund's forecast figure for the specified fiscal period.
(i) Assuming that the occupation rate is 95% concerning the rental revenue.
(ii) Expected to have expenditures of the estimated assessment amount for the year 2007, concerning the tax and public dues.
- (Note 8) **Total Number of Tenants**
The total number of tenants that have actually leased and a lease agreement has been executed with the end-tenant, as of today, has been indicated, but by the time of delivery, a master lease agreement is scheduled to be executed with the master lease company, and after the agreement, the total number of tenants is scheduled to be 1.
- (Note 9) **Total Leased Floor Area**
Total Leased Floor Area indicates the floor area (based on the floor area in the lease agreement. However, it is limited to the floor area of residences and retail stores, etc. (when all units are leased in bulk, the floor area of the entire premises) and it excludes the leased area of parking lots) that is actually leased and a lease agreement is executed with the end-tenant, as of today.

(2) PRIME URBAN Nishi Waseda

Property Name		PRIME URBAN Nishi Waseda
Type of Asset		Real Estate
Location (Note 1)	Registry	1-223-7, 8 Nishi Waseda, Shinjuku-ku Tokyo
	Street Address	1-13-11 Nishi Waseda, Shinjuku-ku Tokyo
Access		10-minute walk from Waseda Station on the Tokyo Metro Tozai Line and a 3-minute walk from Waseda Station on the Toden Arakawa Line (streetcar).
Land	Ownership	Ownership
	Area (Note 1)	241.67 sq. meters
	Building Coverage	80%
	Floor Area Ratio (Note 2)	240%
Building	Ownership	Ownership
	Use (Note 1)	Apartment building
	Completion Date (Note 1)	December 27, 2006
	Total Floor Area (Note 1)	656.72 sq. meters
	Structure (Note 1)	RC, B1/4F

	Leasable Units (Note 3)	28 Units (under 30 sq. meters: 28 units)			
	Property Management Company	Shimada House Co., Ltd. (Note 5)			
	Master Leasing Company	Shimada House Co., Ltd. (Note 6)			
	Type of Master Lease	Pass-through Structure (Note 7)			
	Collateral	None			
	Notes	None			
	Acquisition Price	¥503,000 thousand			
Appraisal	Appraisal Method	Price survey by Daiwa Real Estate Appraisal Co., Ltd.			
	Appraisal Value	¥503,000 thousand			
	Appraisal Date	July 31, 2007			
	Estimated NOI (Note 8)	¥24,378 thousand			
Leasing Status (as of September 14, 2007)					
	Total Number of Tenants (Note 9)	1			
	Total Rental Income	¥30,780 thousand			
	Security Deposits	¥4,794 thousand			
	Occupancy Rate	100%			
	Total Leased Floor Area (Note 10)	507.11 sq. meters			
	Total Leasable Floor Area (Note 4)	507.11 sq. meters			
Past Occupancy Rates	May 31, 2003	May 31, 2004	May 31, 2005	May 31, 2006	May 31, 2007
	—%	—%	—%	—%	100%

(Note 1) Location and Other Items

Location and Area are based on the information in the real estate registry. As the building is still under construction, Use, Completion Date, Total Floor Area, and Structure are based on the information in the building permit. Also, Area includes the approx. 27.38 sq. meter section, which is regarded as a road under Article 42, Paragraph 2 of the Building Standard Law.

(Note 2) Building Coverage

As the property is located within a quasi-industrial district, the Building Coverage would originally be 60%, however, the Building Coverage has been increased to 80%, as the property is a corner lot.

(Note 3) Floor Area Ratio

The Property is located in a Quasi-industrial district, and although the area from the road boundary approx. 25 meters from the southeast side to within 30 meters is originally 400% and the area over 30 meters originally 300%, the frontal road regulation (4.00 meters × 60%) is prioritized.

(Note 4) Leasable Units and Total Leasable Floor Area

Leasable Units indicates the number of leasable units as of today (which includes the number of stores, if any). Also, Total Leasable Floor Area indicates the total floor area of the leasable residences as of today (in the case where the common area, etc. is leased, the said area is also included). The Total Leasable Floor Area is not based on the real estate registry, but the floor area indicated in the lease agreement or the floor area calculated from the building as-built drawing, etc., and will not always equal, and at times may be higher than, the floor area written in the real estate registry).

(Note 5) Property Management Company

The scheduled property management company after the acquisition is stated.

(Note 6) Master Leasing Company

The master leasing company scheduled to enter into a master lease agreement after the completion of the acquisition is stated.

(Note 7) Type of Master Lease

The type of master lease scheduled for use upon completion of the acquisition is stated. Pass-through Structure refers to a lease structure involving the master lease company paying an amount the same as rent, based on the lease agreement with the end-tenant.

(Note 8) Estimated NOI
 NOI stands for Net Operating Income, and is the amount of the Property's rental income, minus the total of all leasing business expenses.
 Estimated NOI is the fiscal year's estimated figure, excluding the special causes during the first year of acquisition, and is prepared under the terms mentioned below. That said, the stated amount, therefore, is not the Fund's forecast figure for the specified fiscal period.

(i) Assuming that the occupation rate is 95% concerning the rental revenue.

(ii) Expected to have expenditures of the estimated assessment amount for the year 2007, concerning the tax and public dues.

(Note 9) Total Number of Tenants
 The total number of tenants that have actually leased and a lease agreement has been executed with the end-tenant, as of today, has been indicated, but by the time of delivery, a master lease agreement is scheduled to be executed with the master lease company, and after the agreement, the total number of tenants is scheduled to be 1.

(Note 10) Total Leased Floor Area
 Total Leased Floor Area indicates the floor area (based on the floor area in the lease agreement. However, it is limited to the floor area of residences and retail stores, etc. (when all units are leased in bulk, the floor area of the entire premises) and it excludes the leased area of parking lots) that is actually leased and a lease agreement is executed with the end-tenant, as of today.

4. Building Condition Appraisal Report Summary

	PRIME URBAN Meguro Riverside	PRIME URBAN Nishi Waseda
Building Condition Appraisal Report Issuer	Takenaka Corporation	Takenaka Corporation
Building Condition Appraisal Report Issue Date	August 28, 2007	August 28, 2007
Estimated Amount of Emergency Repair Expenses (Note 1)	—	—
Estimated Amount of Short Term Repair Expenses (Note 2)	—	—
Estimated Amount of Long Term Repair Expenses (Note 3)	¥7,373 thousand	¥9,323 thousand

(Note 1) Emergency Repair Expenses indicate the amount of repair expenses for items that are functionally deficient and hinder daily routine or items that have legal instructions for improvement and have yet to be repaired, depending on the level of urgency.

(Note 2) Short Term Repair Expenses indicate the amount for repairs, items that are in need of immediate improvements due to rapid deterioration (excluding standard repair expenses and interior/facility renewal expenses), or items that may malfunction if left unattended.

(Note 3) The Estimated Amount of Long Term Repair Expenses is the total amount indicated by the issuer, mentioned above, in the Long Term Repair Expenses Forecast (12 years), which is based on the Building Condition Appraisal Report.

	PRIME URBAN Meguro Riverside	PRIME URBAN Nishi Waseda
Earthquake PML Appraisal Report Issuer	Sompo Japan Risk Management, Inc.	Sompo Japan Risk Management, Inc.
Earthquake PML Appraisal Report Issue Date	August 2007	August 2007
Earthquake Risk Analysis (PML) (Note)	13.01%	3.22%

(Note) PML (Probable Maximum Loss), which is expressed as a percentage of the replacement value, indicates an estimate of costs to be incurred during the anticipated usable period (generally, the duration of a building is 50 years) for restoration of the property to pre-earthquake condition (a large scale earthquake is likely to occur every 475 years; the possibility of an earthquake occurring during the next 50 years is 10%).

5. Architect/ Contractor/ Building Permit Agency/ Evaluation Agency

The architect, contractor, building permit agency and evaluation agency for the Property are as follows:

The Fund has received appraisal results for the two properties, from a third party specialized agency, in respect of the confirmation of structural calculation (terms and results of the calculation and drawing consistency with the structural calculations), and such appraisal results state that, “The structural calculations have an earthquake resistance capacity that complies with the Building Standard Law.”

Property Name	Architect	Contractor	Building Permit Agency	Evaluation Agency
PRIME URBAN Meguro Riverside	Toshi Kenchiku Kobo	Tanaka Kensetsu Co., Ltd.	Tokyo Fireproof & Architecture City Planning Center	HI International Consultant Co., Ltd.
PRIME URBAN Nishi Waseda	Kenchiku Shudan Free	Gunpoh Kogyo Co., Ltd	Bureau Veritas Japan Co., Ltd.	NTT Facilities, Inc.

6. Seller Profile

Company Name	Shimada House Co., Ltd.
Head Office	2-17-26 Sengawa-cho, Chofu-shi Tokyo
Representative	Masaharu Shimada and Narutoshi Shimada, Representative Director
Capital	¥50,000 thousand (as of September 14, 2007)
Principal Shareholder	Narutoshi Shimada
Principal Business	Real estate business
Relationship with the Fund and/ or NREAM	None

7. Broker Profile

Broker	SD Corporation Co., Ltd.
Relationship with the Fund and/ or NREAM	None
Commission	Due to the confidentiality obligation appointed in the brokerage contract, this information is not disclosed.

8. Forecasts

Forecasts of financial results for the second fiscal period (June 1, 2007 to November 30, 2007) have not been changed.

Attachments:

Reference Material 1 “Appraisal Report Summary”

Reference Material 2 “Portfolio After Acquisition of the Properties”

Reference Material 3 “Property Image”

(Reference Material 1)

Appraisal Report Summary

Property Name	PRIME URBAN Meguro Riverside
Appraisal Value	¥464,000,000
Appraisal Agency	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	July 31, 2007

(Thousands of Yen (excluding percentages))

Item	Content	Basis
Income Capitalization Approach Value	464,000	The Income Capitalization Approach Value has been calculated using the value of the Direct Capitalization Method, which was considered more persuasive, and also verifying the value of the Discount Cash Flow Method.
Value using the Direct Capitalization Method	472,000	
(1) Valid Gross Income	27,908	
Rental Income	27,848	Appraisal based on the expected new rent.
Other Income	1,452	Allocation of premium and renewal income.
Potential Gross Income	29,300	
Vacancy Loss Equivalent	1,392	Appraisal based on distinctness of the said real estate.
Bad Debt Loss Equivalent	0	Not allocated, as the security deposit covers bad debt.
(2) Total Expenses	5,832	
Maintenance Expenses	3,004	Appraisal based on the estimated amount, etc.
Tax and Public Dues	1,554	Allocation of estimate.
Damage Insurance Fees	72	Appraisal based on the estimated amount, etc.
Other Expenses	1,202	Allocation of tenant recruit expenses and tenant replacement expenses, etc.
(3) Leasing Net Operating Income (NOI=(1)-(2))	22,076	
(4) Interest from Security Deposit	83	Appraisal based on the assumption that the operation has a 2.0% investment yield.
(5) Annual Funding for Large Scale Repair Costs	456	Appraised, taking into account the Building Condition Appraisal Report and the standard expenditures of similar buildings.
(6) Standardized Net Cash Flow (NCF=(3)+(4)-(5))	21,703	
(7) Capitalization Rate	4.6%	Appraised, taking into account the real estate's overall regional characteristics and individuality, etc.
Value Using the Discounted Cash Flow Method	460,000	
Discount Rate	4.4%	
Final Capitalization Rate	4.8%	
Cost Approach Value	368,000	
Land Ratio	57.2%	
Building Ratio	42.8%	

Items applied to adjustments in value calculations and to the determination of the appraisal value	The property is a residence, located in a residential area among middle sized residential apartments, etc. The property is located within walking distance of Meguro Station on the JR Yamanote Line, etc., and Fudoumae Station on the Tokyu Meguro Line, with excellent access to the inner city, and as a variety of convenient livability facilities are standing around the station area, it can expect steady demand from single adults focusing on convenient city life.
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Appraisal Report Summary

Property Name	PRIME URBAN Nishi Waseda
Appraisal Value	¥503,000,000
Appraisal Agency	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	July 31, 2007

(Thousands of Yen (excluding percentages))

Item	Content	Basis
Income Capitalization Approach Value	503,000	The Income Capitalization Approach Value has been calculated using the value of the Direct Capitalization Method, which was considered more persuasive, and also verifying the value of the Discount Cash Flow Method.
Value using the Direct Capitalization Method	509,000	
(1) Valid Gross Income	30,450	
Rental Income	30,387	Appraisal based on the expected new rent.
Other Income	1,582	Allocation of premium and renewal income.
Potential Gross Income	31,969	
Vacancy Loss Equivalent	1,519	Appraisal based on distinctness of the said real estate.
Bad Debt Loss Equivalent	0	Not allocated, as the security deposit covers bad debt.
(2) Total Expenses	6,090	
Maintenance Expenses	2,933	Appraisal based on the estimated amount, etc.
Tax and Public Dues	1,654	Allocation of estimate.
Damage Insurance Fees	70	Appraisal based on the estimated amount, etc.
Other Expenses	1,433	Allocation of tenant recruit expenses and tenant replacement expenses, etc.
(3) Leasing Net Operating Income (NOI=(1)-(2))	24,359	
(4) Interest from Security Deposit	90	Appraisal based on the assumption that the operation has a 2.0% investment yield.
(5) Annual Funding for Large Scale Repair Costs	544	Appraised, taking into account the Building Condition Appraisal Report and the standard expenditures of similar buildings.
(6) Standardized Net Cash Flow (NCF=(3)+(4)-(5))	23,906	
(7) Capitalization Rate	4.7%	Appraised, taking into account the real estate's overall regional characteristics and individuality, etc.
Value Using the Discounted Cash Flow Method	500,000	
Discount Rate	4.5%	
Final Capitalization Rate	4.9%	
Cost Approach Value	305,000	
Land Ratio	46.6%	
Building Ratio	53.4%	

Items applied to adjustments in value calculations and to the determination of the appraisal value	The property is a residence, located in a residential area among middle sized residential apartments, etc. The property is located within a walking distance of Waseda Station on the Tokyo Metro Tozai Line, with excellent access to the inner city. As the Property is also located near Waseda University and other universities, it can expected steady demand from single adults who focus on convenient city life, and also students and faculty, etc., who are affiliated with the universities.
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Portfolio After Acquisition of the Properties

[Acquired Properties]

Area (Note 1)	Name of Property	Location	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)	Acquired Period (Note 5)
Greater Tokyo Area	PROUD FLAT Yoyogi Uehara	Shibuya-ku, Tokyo	1,151.34	44	1,100,000	1.3	1st FP
	PROUD FLAT Hatsudai	Shibuya-ku, Tokyo	958.98	31	865,000	1.0	1st FP
	PROUD FLAT Gakugei Daigaku	Meguro-ku, Tokyo	934.39	41	812,000	0.9	1st FP
	PROUD FLAT Meguro Gyoninzaka	Meguro-ku, Tokyo	855.23	40	882,000	1.0	1st FP
	PROUD FLAT Sumida Riverside	Chuo-ku, Tokyo	3,055.21	110	2,260,000	2.6	2nd FP
	PROUD FLAT Kagurazaka	Shinjuku-ku, Tokyo	1,793.43	70	1,540,000	1.8	1st FP
	PROUD FLAT Waseda	Shinjuku-ku, Tokyo	1,450.91	60	1,110,000	1.3	2nd FP
	PROUD FLAT Sangen Java	Setagaya-ku, Tokyo	1,277.82	48	1,350,000	1.6	1st FP
	PROUD FLAT Kamata	Ota-ku, Tokyo	1,541.64	67	1,140,000	1.3	1st FP
	PROUD FLAT Kiyosumi Shirakawa	Koto-ku, Tokyo	1,209.56	55	900,000	1.0	1st FP
	PRIME URBAN Akasaka	Minato-ku, Tokyo	1,062.05	25	956,000	1.1	1st FP
	PRIME URBAN Tamachi	Minato-ku, Tokyo	1,107.36	48	941,000	1.1	1st FP
	PRIME URBAN Ebisu Minami	Shibuya-ku, Tokyo	881.89	21	947,000	1.1	1st FP
	PRIME URBAN Yoyogi	Shibuya-ku, Tokyo	439.56	19	408,000	0.5	1st FP
	PRIME URBAN Bancho	Chivoda-ku, Tokyo	1,277.04	52	1,170,000	1.4	1st FP
	PRIME URBAN Chivoda Fujimi	Chivoda-ku, Tokyo	793.87	32	707,000	0.8	1st FP
	PRIME URBAN Idabashi	Chivoda-ku, Tokyo	2,087.70	90	2,030,000	2.4	1st FP
	PRIME URBAN Ebisu	Meguro-ku, Tokyo	1,444.40	29	1,200,000	1.4	1st FP
	PRIME URBAN Naka Meguro	Meguro-ku, Tokyo	1,302.42	49	1,320,000	1.5	1st FP
	PRIME URBAN Gakugei Daigaku	Meguro-ku, Tokyo	1,008.39	32	886,000	1.0	1st FP
	PRIME URBAN Senszoku	Meguro-ku, Tokyo	655.27	22	536,000	0.6	1st FP
	PRIME URBAN Nishi Shinjuku I	Shinjuku-ku, Tokyo	1,459.86	60	1,290,000	1.5	1st FP
	PRIME URBAN Nishi Shinjuku II	Shinjuku-ku, Tokyo	1,162.55	46	1,000,000	1.2	1st FP
	PRIME URBAN Shinjuku Naitomachi	Shinjuku-ku, Tokyo	578.18	14	512,000	0.6	1st FP
	PRIME URBAN Sangen Java	Setagaya-ku, Tokyo	874.15	33	835,000	1.0	1st FP
	PRIME URBAN Shinagawa Nishi	Shinagawa-ku, Tokyo	961.25	46	624,000	0.7	1st FP
	PRIME URBAN Osaki	Shinagawa-ku, Tokyo	2,106.16	99	1,700,000	2.0	1st FP
	PRIME URBAN Omori	Ota-ku, Tokyo	1,190.70	54	824,000	1.0	1st FP
	PRIME URBAN Kita Senszoku	Ota-ku, Tokyo	834.90	46	576,000	0.7	1st FP
	PRIME URBAN Nishi Ogikubo	Suginami-ku, Tokyo	543.09	24	435,000	0.5	1st FP
	PRIME URBAN Otsuka	Toshima-ku, Tokyo	944.99	46	794,000	0.9	1st FP
	PRIME URBAN Monzen Nakacho	Koto-ku, Tokyo	3,127.94	117	2,200,000	2.6	1st FP
	PRIME URBAN Kameido	Koto-ku, Tokyo	1,117.34	52	705,000	0.8	1st FP
	PRIME URBAN Sumiyoshi	Koto-ku, Tokyo	813.52	40	552,000	0.6	1st FP
	PRIME URBAN Kinshi Koen	Sumida-ku, Tokyo	1,886.50	77	1,180,000	1.4	1st FP
	PRIME URBAN Kinshicho	Sumida-ku, Tokyo	991.62	49	668,000	0.8	1st FP
	PRIME URBAN Hirai	Edogawa-ku, Tokyo	1,095.91	53	700,000	0.8	1st FP
	PRIME URBAN Kasai	Edogawa-ku, Tokyo	905.81	45	637,000	0.7	1st FP
	PRIME URBAN Kasai II	Edogawa-ku, Tokyo	1,437.84	68	958,000	1.1	1st FP
	PRIME URBAN Urayasu	Urayasu-shi, Chiba	1,264.84	60	840,000	1.0	1st FP
	PRIME URBAN Gvotoku I	Ichikawa-shi, Chiba	1,151.36	52	635,000	0.7	1st FP
	PRIME URBAN Gvotoku II	Ichikawa-shi, Chiba	1,244.00	58	741,000	0.9	1st FP
	PRIME URBAN Gvotoku Ekimae	Ichikawa-shi, Chiba	778.19	37	476,000	0.6	1st FP
	PRIME URBAN Nishi Funabashi	Funabashi-shi, Chiba	1,237.80	60	772,000	0.9	1st FP
	URBAN STAGE Azabu Juban	Minato-ku, Tokyo	1,222.13	40	991,000	1.2	1st FP
	URBAN STAGE Hatagava	Shibuya-ku, Tokyo	650.60	38	452,000	0.5	1st FP
	URBAN STAGE Toritsu Daigaku	Meguro-ku, Tokyo	996.81	16	524,000	0.6	1st FP
	URBAN STAGE Kachidoki	Chuo-ku, Tokyo	4,481.82	144	2,290,000	2.7	1st FP
	URBAN STAGE Naka Ochiai	Shinjuku-ku, Tokyo	1,237.98	18	655,000	0.8	1st FP
	URBAN STAGE Ochiai	Shinjuku-ku, Tokyo	517.53	32	324,000	0.4	1st FP
	URBAN STAGE Roka Koen	Setagaya-ku, Tokyo	567.20	34	362,000	0.4	1st FP
	URBAN STAGE Kamiyama	Setagaya-ku, Tokyo	1,739.86	37	900,000	1.0	1st FP
	URBAN STAGE Sangen Java	Setagaya-ku, Tokyo	1,018.72	47	755,000	0.9	1st FP
URBAN STAGE Chitose Karasuyama	Setagaya-ku, Tokyo	1,774.01	27	730,000	0.8	1st FP	
URBAN STAGE Sangen Java II	Setagaya-ku, Tokyo	810.98	17	539,000	0.6	1st FP	
URBAN STAGE Komazawa	Setagaya-ku, Tokyo	572.41	26	396,000	0.5	1st FP	
URBAN STAGE Karasuyama	Setagaya-ku, Tokyo	507.52	28	344,000	0.4	1st FP	
URBAN STAGE Oimachi	Shinagawa-ku, Tokyo	722.70	45	530,000	0.6	1st FP	
URBAN STAGE Oimachi II	Shinagawa-ku, Tokyo	1,719.82	92	1,100,000	1.3	1st FP	
URBAN STAGE Yukigava	Ota-ku, Tokyo	1,536.59	94	970,000	1.1	1st FP	
URBAN STAGE Ikegami	Ota-ku, Tokyo	2,456.48	95	1,460,000	1.7	1st FP	
URBAN STAGE Nakano	Nakano-ku, Tokyo	801.30	51	472,000	0.5	1st FP	
URBAN STAGE Takaido	Suginami-ku, Tokyo	1,746.20	107	1,080,000	1.3	1st FP	
URBAN STAGE Komagome	Toshima-ku, Tokyo	990.18	19	412,000	0.5	1st FP	
URBAN STAGE Mukojima	Sumida-ku, Tokyo	1,108.91	55	487,000	0.6	1st FP	
URBAN STAGE Ekoda	Nerima-ku, Tokyo	872.49	35	385,000	0.4	1st FP	
URBAN STAGE Takinokawa	Kita-ku, Tokyo	554.39	29	287,000	0.3	1st FP	
URBAN STAGE Asakusa	Taito-ku, Tokyo	876.70	22	350,000	0.4	1st FP	
URBAN STAGE Machiya	Arakawa-ku, Tokyo	455.19	26	210,000	0.2	1st FP	
URBAN STAGE Koganei	Koganei-shi, Tokyo	682.43	27	229,000	0.3	1st FP	
URBAN STAGE Hino	Hino-shi, Tokyo	994.68	54	319,000	0.4	1st FP	
URBAN STAGE Tsurumi Terava	Yokohama-shi, Kanagawa	952.06	50	457,000	0.5	1st FP	
URBAN STAGE Tennocho	Yokohama-shi, Kanagawa	332.48	20	136,000	0.2	1st FP	
URBAN STAGE Urayasu	Urayasu-shi, Chiba	437.94	27	277,000	0.3	1st FP	
URBAN STAGE Minami Gvotoku I	Ichikawa-shi, Chiba	682.05	41	357,000	0.4	1st FP	
URBAN STAGE Minami Gvotoku II	Ichikawa-shi, Chiba	611.61	37	285,000	0.3	1st FP	
URBAN STAGE Minami Gvotoku III	Ichikawa-shi, Chiba	543.84	33	263,000	0.3	1st FP	
URBAN STAGE Minami Gvotoku IV	Ichikawa-shi, Chiba	535.08	32	256,000	0.3	1st FP	
URBAN STAGE Minami Urawa	Saitama-shi, Saitama	694.05	32	274,000	0.3	1st FP	
URBAN STAGE Yono Hommachi	Saitama-shi, Saitama	1,372.74	70	519,000	0.6	1st FP	
Cosmo Gracia Yotsuva Gaien Higashi	Shinjuku-ku, Tokyo	1,759.61	51	1,700,000	2.0	1st FP	
	Sub Total (81 Properties)		93,534.05	3,869	64,791,000	75.3	

Area (Note 1)	Name of Property	Location	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)	Acquired Period (Note 5)
Other Areas	PROUD FLAT Itsutsubashi	Sendai-shi, Miyagi	1,861.56	60	682,000	0.8	1st FP
	PRIME URBAN Aoi	Nagoya-shi, Aichi	1,571.04	46	724,000	0.8	1st FP
	PRIME URBAN Esaka I	Suita-shi, Osaka	1,189.12	48	672,000	0.8	1st FP
	PRIME URBAN Esaka II	Suita-shi, Osaka	1,392.00	57	790,000	0.9	1st FP
	Presence S17	Sapporo-shi, Hokkaido	1,518.58	33	377,000	0.4	1st FP
	Presence N14	Sapporo-shi, Hokkaido	1,155.60	36	336,000	0.4	1st FP
	Classe Odori Koen	Sapporo-shi, Hokkaido	1,850.20	53	530,000	0.6	1st FP
	Presence S1	Sapporo-shi, Hokkaido	1,148.72	36	322,000	0.4	1st FP
	Benefis Hakata Grand Suite	Fukuoka-shi, Fukuoka	2,176.23	67	830,000	1.0	1st FP
	Benefis Yakuin Minami	Fukuoka-shi, Fukuoka	897.84	34	351,000	0.4	1st FP
	Sub Total (10 Properties)		14,760.89	470	5,614,000	6.5	
	Total (91 Properties)		108,294.94	4,339	70,405,000	81.9	

[Scheduled Acquisitions]

Area (Note 1)	Name of Property	Location	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)	Acquiring Period (Note 5)
Greater Tokyo Area	PRIME URBAN Meguro Riverside	Meguro-ku, Tokyo	453.77	24	464,000	0.5	2nd FP
	PRIME URBAN Nishi Waseda	Shinjuku-ku, Tokyo	507.11	28	503,000	0.6	2nd FP
	PROUD FLAT Yokohama (tentative name)	Yokohama-shi, Kanagawa	3,118.12	113	2,340,000	2.7	3rd FP
	PRIME URBAN Meguro Ohashi Hills (tentative name)	Meguro-ku, Tokyo	2,955.74	99	3,580,000	4.2	3rd FP
	PRIME URBAN Hakusan	Bunkyo-ku, Tokyo	1,069.32	42	893,000	1.0	3rd FP
	PRIME URBAN Denenchofu Minami (tentative name)	Ota-ku, Tokyo	1,100.17	44	900,000	1.0	3rd FP
	Sub Total (6 Properties)		9,204.23	350	8,680,000	10.1	
Other Areas	PRIME URBAN Hokudaimae (tentative name)	Sapporo-shi, Hokkaido	1,851.39	60	600,000	0.7	3rd FP
	PRIME URBAN Kita Niiyuo Jo (tentative name)	Sapporo-shi, Hokkaido	1,773.90	36	503,700	0.6	3rd FP
	PRIME URBAN Miyanosawa (tentative name)	Sapporo-shi, Hokkaido	2,114.53	54	576,200	0.7	3rd FP
	PRIME URBAN Odori Higashi (tentative name)	Sapporo-shi, Hokkaido	1,494.36	36	424,000	0.5	3rd FP
	PRIME URBAN Chiji Koukan (tentative name)	Sapporo-shi, Hokkaido	1,007.30	42	337,900	0.4	3rd FP
	PRIME URBAN Maruyama (tentative name)	Sapporo-shi, Hokkaido	911.07	27	283,200	0.3	3rd FP
	PRIME URBAN Odori Minami (tentative name)	Sapporo-shi, Hokkaido	2,439.90	58	731,600	0.9	3rd FP
	PRIME URBAN Kanayama (tentative name)	Nagoya-shi, Aichi	1,391.02	58	632,000	0.7	3rd FP
	Benefis Kashii (tentative name)	Fukuoka-shi, Fukuoka	1,231.79	39	396,000	0.5	3rd FP
	Benefis Yoshizuka Grand Suite (tentative name)	Fukuoka-shi, Fukuoka	1,856.92	65	693,000	0.8	3rd FP
	Benefis Chihaya (tentative name)	Fukuoka-shi, Fukuoka	1,738.87	48	545,000	0.6	3rd FP
	PRIME URBAN Tsurumai (tentative name)	Nagoya-shi, Aichi	2,502.11	104	1,189,096	1.4	5th FP
		Sub Total (12 Properties)		20,313.16	627	6,911,696	8.0
	Total (18 Properties)		29,517.39	977	15,591,696	18.1	

[Acquired Properties and Scheduled Acquisitions Total]

Area (Number of Properties) (Note 1)	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)
Greater Tokyo Area (87 Properties)	102,738.28	4,219	73,471,000	85.4
Other Areas (22 Properties)	35,074.05	1,097	12,525,696	14.6
Total (109 Properties)	137,812.33	5,316	85,996,696	100.0

(Note 1) "Greater Tokyo Area" refers to the metropolis of Tokyo and the three surrounding prefectures, Kanagawa, Chiba and Saitama. "Other Areas" refer to the three major metropolitan areas, excluding Tokyo, and other major cities throughout Japan, including government designated cities.

(Note 2) "Leasable Floor Area" refers to the area entered in the Lease Agreement and calculated from the as-built drawings, not from the real estate registry. As a result, the sum of Leasable Floor Area may exceed the total floor area.

(Note 3) "Acquisition Price" refers to the amount entered in the Sales Contract of Real Estate or Trust Beneficiary Rights, or the Conditional Sales Contract, and does not include the expenses in the acquisition, such as trading intermediate fees, taxes and public dues.

(Note 4) "Percentage of Total" refers to the acquisition price ratio of each property, based on the acquisition price.

(Note 5) "Acquired Period" "Acquiring Period" refers to the Fund's fiscal period in which the acquisition, or the scheduled acquisition, of each property is completed, or scheduled to be completed.

First Fiscal Period: August 3, 2006 - May 31, 2007

Second Fiscal Period: June 1, 2007 - November 30, 2007

Third Fiscal Period: December 1, 2007 - May 31, 2008

Fourth Fiscal Period: June 1, 2008 - November 30, 2008

Fifth Fiscal Period: December 1, 2008 - May 31, 2009

(Reference 3)

Property Image

PRIME URBAN Meguro Riverside



Property Image

PRIME URBAN Nishi Waseda

