



NOMURA
Residential Fund

For Translation Purposes Only

September 26, 2007

For Immediate Release

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

Asset Management Company:
Nomura Real Estate Asset Management Co., Ltd.
Tatsuo Inoue, President and Chief Executive Officer
Inquiries: Masatomi Natsume, Director
Residential Management Division
TEL: +81-3-3365-7729

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 Asset (the “Property”)

Type of Asset	Real estate
Property Name	PRIME URBAN Nakano Kamitakada (tentative name)
Acquisition Price	¥640,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	September 26, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	March 11, 2008 (delivery date of the real estate)
Seller	Union Housing Co., Ltd. (refer to “6. Seller Profile” below)
Financing	To be determined
Form of Payment	Payment in full at the time of purchase

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.

- The Property is a 5 minute walk from Arai yakushimae Station on the Seibu Shinjuku Line, which has excellent access to Shinjuku, a commercial and business center (12 minutes to Seibu Shinjuku Station on the same line).

- Also, Takadanobaba Station, which is 8 minutes from Arai yakushima Station on the same line, is a transfer station where both the JR Yamanote Line and Tokyo Metro Tozai Line pass through and enables access to the business/commercial center such as the Shibuya area, Otemachi/Nihonbashi area, etc., within approximately 30 minutes.
- The Property is located in a Category 1 exclusive district for low-rise residential buildings area, which is a quiet residential area surrounded by mainly timber structure low-rise residences.
- As a 3 story building with a profound exterior located within the low-rise residences, the building merchantability has great appeal to a wide range of tenants, with not only the enhancement of visibility and rarity, but also by preparing a total of 10 different types of room layouts, from a 1K (6 types) to a 1LDK (4 types).
- As stated above, the Fund expects steady demand from single adults, DINKs, and young families who value commuting convenience.

As this property is still under construction and scheduled to be completed in March 2008, the Fund plans to avoid completion and building delivery risks by making the conditions mentioned below the terms of payment.

- that the building be constructed in accordance with drawings and specifications provided in the sales contract.
- that the CIG be delivered after the building is completed, following the completion of an inspection by the regulatory agency.
- that there be no violations of the Building Standard Law, the Urban Planning Law and the Fire Prevention Law, and that no problems are revealed through due diligence.

3. Property Summary

Property Name		PRIME URBAN Nakano Kamitakada (tentative name)
Type of Asset		Real Estate
Location (Note 1)	Registry	4-43-10 Kamitakada, Nakano-ku Tokyo
	Street Address	(Note 2)
Access		5-minute walk from Arai yakushima Station on the Seibu Shinjuku Line.
Land	Ownership	Ownership
	Area (Note 1)	593.14 sq. meters
	Building Coverage	70% (Note 3)
	Floor Area Ratio	150%
Building	Ownership	Ownership
	Use (Note 1)	Apartment building
	Completion Date (Note 1)	March 2008 (scheduled date)
	Total Floor Area (Note 1)	1,092.35 sq. meters
	Structure (Note 1)	RC, 3F
	Leasable Units (Note 1)	33 units (under 30 sq. meters: 25 units, 30-50 sq. meters: 8 units)
Property Management Company		To Be Determined
Master Leasing Company		To Be Determined
Type of Master Lease (Note 4)		Pass-through Structure (scheduled)

Collateral		None				
Notes		None				
Acquisition Price		¥640,000 thousand				
Price Survey (Note 5)	Survey Method	Price survey by HIRO & REAS Network, Inc.				
	Survey Value	¥644,000 thousand				
	Survey Date	September 1, 2007				
Estimated NOI (Note 6)		¥33,649 thousand				
Leasing Status (as of September 26, 2007) (Note 7)						
Total Number of Tenants		—				
Total Rental Income		—				
Security Deposits		—				
Occupancy Rate		—				
Total Leased Floor Area		—				
Total Leasable Floor Area (Note 1)		818.75 sq. meters				
Past Occupancy Rates		May 31, 2003	May 31, 2004	May 31, 2005	May 31, 2006	May 31, 2007
		—%	—%	—%	—%	—%

(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. Leasable Units and Total Leasable Floor Area are based on the information in the application for confirmation of drawings and materials. Also, regarding Area, approx. 0.09 sq. meters is considered to be part of the road according to Article 42, Paragraph 2 of the Building Standard Law, but such part is scheduled to be subdivided by the owner and offered to Nakano City before the acquisition of the property by the Fund.

(Note 2) Street Address

As the property is still under construction, the Street Address has yet to be confirmed.

(Note 3) Building Coverage

As the property is located in a Category 1 exclusive district for low-rise residential buildings, the Building Coverage would originally be 60%, however, the Building Coverage has been increased to 70%, as the property is a corner lot.

(Note 4) 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 5) Price Survey

The price survey, relying on standard valuation method, is conducted by the real estate appraiser on the survey date, assuming that the completion of the building is on schedule.

(Note 6) Estimated NOI

The estimated NOI is the amount of rent income minus the amount of rent expenses (excluding depreciation) taken from the appraisal report by HIRO & REAS Network, Inc., and such amount has been rounded down to the nearest thousand (refer to Reference Material 1 “Appraisal Report Summary”). The stated amount, therefore, is not the Fund’s forecasted figure for the specified fiscal period.

(Note 7) Lease Status

As the property is still under construction, no lease agreements have been executed with tenants.

4. Building Condition Appraisal Report Summary

	PRIME URBAN Nakano Kamitakada (tentative name)
Building Condition Appraisal Report Issuer	Takenaka Corporation
Building Condition Appraisal Report Issue Date	August 22, 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)	¥10,623 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 Nakano Kamitakada (tentative name)
Earthquake PML Appraisal Report Issuer	Sompo Japan Risk Management, Inc.
Earthquake PML Appraisal Report Issue Date	August 2007
Earthquake Risk Analysis (PML) (Note)	10.34%

(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 Property, 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 (Note)	Evaluation Agency
PRIME URBAN Nakano Kamitakada (tentative name)	United Liberty Architects, Inc.	Ogawa Construction Co., Ltd.	Fuji Building Consulting, Inc.	NTT Facilities, Inc.

(Note) As the property is still under construction, only the agencies with confirmation certificates are mentioned.

6. Seller Profile

Company Name	Union Housing Co., Ltd.
Head Office	1-38-7 Yoyogi, Shibuya-ku Tokyo
Representative	Seigo Nakamura, President
Capital	¥30,000 thousand (as of September 26, 2007)
Principal Shareholder	Kae Nakamura, Seigo Nakamura
Principal Business	Real Estate
Relationship with the Fund and/or NREAM	None

7. Broker Profile

No brokers were involved in the transaction of the Property.

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 “Price Survey Summary”

Reference material 2 “Portfolio After Acquisition of the Property”

Reference material 3 “Property Image”

(Reference Material 1)

Appraisal Report Summary

Property Name	PRIME URBAN Nakano Kamitakada (tentative name)
Appraisal Value	¥644,000,000
Appraisal Agency	HIRO & REAS Network, Inc.
Appraisal Date	September 1, 2007

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	644,000,000	Using the value calculated by means of the Direct Capitalization Method as a reference, a value using the Discount Cash Flow Method was adopted.
Value using the Direct Capitalization Method	689,000,000	Calculated by the discount cap rate, using the 1-11 year net cash flow chart relating to the DCF method.
(1) Gross Income ((a)-(b))	42,781,822	
(a) Potential Rental Income	44,606,318	Appraisal based on the standard market rent.
(b) Vacancy Loss, etc.	1,824,496	Appraisal based on the market vacancy ratio.
(2) Operating Expenses	9,132,213	
Maintenance Expenses	2,712,000	Appraisal based on the estimated amount.
Utility Expenses	197,727	Appraisal based on the general standard.
Repair Expenses	265,575	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
Unit Restoration Expenses	194,274	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
Property Management Fees	1,165,642	Appraisal based on the scheduled amount.
Tenant Recruit Expenses, etc.	1,618,265	Appraisal based on the general standard.
Tax and Public Dues	2,687,730	Appraisal based on the fixed asset value confirmation document.
Insurance Fees	112,800	Appraisal based on the estimated amount.
Other Expenses	178,200	Appraisal based on the estimated amount.
(3) Net Operating Income (NOI=(1)-(2))	33,649,609	
(4) Temporary Deposit Management Profits, etc.	61,344	Considering the ordinary deposit interest, etc.
(5) Capital Expenditures	619,675	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
(6) Standardized Net Cash Flow (NCF=(3)-(4))	33,091,278	
(7) Capitalization Rate	4.8%	Appraisal based on the real estate's regional individual characteristics of real estate, while also taking into account the investment cap rate of the surrounding area.
Value Using the Discounted Cash Flow Method	644,000,000	
Discount Rate	4.8%	
Final Capitalization Rate	5.1%	
Cost Approach Value	582,000,000	
Land Ratio	50.0%	
Building Ratio	50.0%	

Items applied to adjustments in approaches to the value and the determination of the appraisal value	The property is a new condominium under construction, located in a good living atmosphere close to the city. Both the property's location and the quality of the building are above a certain level, and can expect stable occupancy rates as a rental apartment targeting city commuters, students, etc. Also, from an investment point of view, as the property has large grounds, it can be said that the building has high rarity. The appraisal value was determined in light of the above factors.
--	--

(Note) In the appraisal report the real estate appraiser has assessed the appraisal value relying on the standard valuation method, at the appraisal date assuming that the completion of the building is on schedule.

Portfolio After Acquisition of the Property

[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	2.3	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 Sensoku	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 Sensoku	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	2.5	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	0.5	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	1.1	1st FP
	URBAN STAGE Hatagawa	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	2.6	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 Yukigaya	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	1.2	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 Teraya	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	74.8	

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	81.3	

[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	4.1	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
	PRIME URBAN Nakano Kamitakada (tentative name)	Nakano-ku, Tokyo	818.75	33	640,000	0.7	3rd FP
	Sub Total (7 Properties)		10,022.98	383	9,320,000	10.8	
Other Areas	PRIME URBAN Hokudaimae (tentative name)	Sapporo-shi, Hokkaido	1,851.39	60	600,000	0.7	3rd FP
	PRIME URBAN Kita Nijuvo Io (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	0.8	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 Chihava (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 (19 Properties)		30,336.14	1,010	16,231,696	18.7	

[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 (88 Properties)	103,557.03	4,252	74,111,000	85.5
Other Areas (22 Properties)	35,074.05	1,097	12,525,696	14.5
Total (110 Properties)	138,631.08	5,349	86,636,696	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 Material 3)

Property Image

PRIME URBAN Nakano Kamitakada (tentative name)



(Note) This image has been created in accordance with architectural drawings and specifications and may differ from the actual building.