



For Translation Purposes Only

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For Immediate Release

Nomura Real Estate Residential Fund, Inc.
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(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 to acquire real estate, as briefly explained below.

1. Summary of the Assets

(1) URBAN STAGE Gyotoku Ekimae

Type of Asset	Real estate
Property Name	URBAN STAGE Gyotoku Ekimae
Acquisition Price	¥561,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	October 12, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	December 4, 2007 (date of delivery of the real estate)
Seller	Dainichi Co., Ltd. (refer to “6. Seller Profile” below)
Financing	To be determined
Form of Payment	Payment in full at the time of purchase

(Note) Although the current property name is “Dainichi Kan F40”, the Fund plans to change the name to the one stated above at the earliest opportunity, after the acquisition.

(2) URBAN STAGE Minami Gyotoku V

Type of Asset	Real estate
Property Name	URBAN STAGE Minami Gyotoku V
Acquisition Price	¥293,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	October 12, 2007 (date of agreement on purchase and sale of the real estate)

Scheduled Date of Acquisition	December 4, 2007 (date of delivery of the real estate)
Seller	Dainichi Co., Ltd. (refer to “6. Seller Profile” below)
Financing	To be determined
Form of Payment	Payment in full at the time of purchase

(Note) Although the current property name is “Rose Garden A91”, the Fund plans to change the name to the one stated above at the earliest opportunity, after the acquisition.

(3) URBAN STAGE Gyotoku

Type of Asset	Real estate
Property Name	URBAN STAGE Gyotoku
Acquisition Price	¥948,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	October 12, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	The agreed upon date, between the Fund and the seller, from the date of agreement of purchase and sale to February 29, 2008 (date of delivery of the real estate)
Seller	Dainichi Co., Ltd. (refer to “6. Seller Profile” below)
Financing	To be determined
Form of Payment	Payment in full at the time of purchase

(Note) Although the current property name is “Dainichi F41”, 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 these properties in accordance with the Fund’s policies as stipulated in the Articles of Incorporation. The Fund places particular value on the following factors.

The Urayasu/Gyotoku Area

- The Urayasu/Gyotoku area a highly convenient area, located along the Tokyo Metro Tozai Line, and on this line, access is available to business areas such as Otemachi, Nihonbashi, etc., in approx. 20-30 minutes.
- The rent level of the market, compared to Tokyo, is relatively a low, and the property can expect stable demand from individuals to corporate businesses.
- With the above factors, the area is aligned with the Fund’s main investment strategy (“rent level” × “access” × “commuting time”), the Fund recognizes the area to be one of its priority investment areas.

URBAN STAGE Gyotoku Ekimae

- This property is a 7-minute walk from Gyotoku Station on the Tokyo Metro Tozai Line, located in a residential district, close to the Gyotoku Ekimae Park with facilities such as pools, plaza with a fountain, etc., and has a nice quiet living atmosphere.
- This property consists of 3 types/4 variations of 1K room layouts, and approx. half of the units (21/46 units) are corner rooms with excellent air circulation and lighting, etc., with a standard that meets the needs of the tenants, concerning merchantability, in the said area.

URBAN STAGE Gyotoku Ekimae V

- This property is located in a quiet residential district, an 8-minute walk from Minami Gyotoku Station on the Tokyo Metro Tozai Line, which has excellent livability, with living convenience facilities such as large scale commercial facilities, Super Daiei and Yamada Denki, and convenience stores, etc., within a 5-minute walk from the property.
- This property consists of 5 different 1K room layouts, including units with a roof terrace, providing merchantability with consideration to function and livability.

URBAN STAGE Gyotoku

- This property is a 10-minute walk from Gyotoku Station on the Tokyo Metro Tozai Line, using the walkway that leads from the station through Gyotoku Ekimae Park and the quiet residential areas.
- Regarding the building, as the frontage facing the public street is a spacious approx. 46 meters, using this situation to its advantage, it provides a profound high-grade façade/exterior.
- 1/3 of this property's units are corner units, which ensures differentiation of the merchantability.

Also, regarding the property management company for the 3 properties mentioned above, Dainichi Co., Ltd., the current owner that has been operating and managing the property since its completion, is scheduled to be selected. Adding to the company's strong foothold in the said area, by utilizing the abundant stock of corporate business needs that have been accumulated through their leasing performance thus far, the Fund plans to secure stable cash flow for the properties mentioned above.

3. Property Summary

(1) URBAN STAGE Gyotoku Ekimae

Property Name		URBAN STAGE Gyotoku Ekimae
Type of Asset		Real Estate
Location (Note 1)	Registry	4-6-5 Gyotoku Ekimae Ichikawa-shi, Chiba
	Street Address	4-6-14 Gyotoku Ekimae Ichikawa-shi, Chiba
Access		7-minute walk from Gyotoku Station on the Tokyo Metro Tozai Line.
Land	Ownership	Ownership
	Area (Note 1)	505 sq. meters
	Building Coverage	60%
	Floor Area Ratio	200%
Building	Ownership	Ownership
	Use (Note 1)	Apartment building
	Completion Date (Note 1)	March 1, 2001
	Total Floor Area (Note 1)	1,016.51 sq. meters
	Structure (Note 1)	RC, 5F
	Leasable Units (Note 2)	46 units (under 30 sq. meters: 46 units)
Property Management Company		Dainichi, Co., Ltd. (Note 3)
Master Leasing Company		Dainichi, Co., Ltd. (Note 4)

Type of Master Lease		Pass-through Structure (Note 5)				
Collateral		None				
Notes		None				
Acquisition Price		¥561,000 thousand				
Appraisal	Appraisal Method	Price survey by Japan Real Estate Institute				
	Appraisal Value	¥567,000 thousand				
	Appraisal Date	September 1, 2007				
Estimated NOI (Note 6)		¥34,082 thousand				
Leasing Status (as of October 12, 2007)						
Total Number of Tenants (Note 7)		1				
Total Rental Income		¥43,056 thousand				
Security Deposits		¥6,808 thousand				
Occupancy Rate		100%				
Total Leased Floor Area (Note 8)		1,162.60 sq. meters				
Total Leasable Floor Area (Note 2)		1,162.60 sq. meters				
Past Occupancy Rates		May 31, 2003	May 31, 2004	May 31, 2005	May 31, 2006	May 31, 2007
		100%	100%	100%	100%	100%

- (Note 1) Location and Other Items
Location, Area, Completion Date, Total Floor Area, and Structure are based on the information in the real estate registry. Use is based on the main use of the type of building indicated in the real estate registry is stated.
- (Note 2) 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 3) Property Management Company
The scheduled property management company after the acquisition is stated.
- (Note 4) Master Leasing Company
The master leasing company scheduled to enter into a master lease agreement after the completion of the acquisition is stated.
- (Note 5) 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 6) 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 7) Leasing Status
The property has not entered into a lease agreement with the end-tenant, as of today (After the acquisition of this property by the Fund, executing a lease agreement with the end-tenant is scheduled.).

(2) URBAN STAGE Minami Gyotoku V

Property Name		URBAN STAGE Minami Gyotoku V				
Type of Asset		Real Estate				
Location (Note 1)	Registry	2-10-2 Minami Gyotoku Ichikawa-shi, Chiba				
	Street Address	2-12-3 Minami Gyotoku Ichikawa-shi, Chiba				
Access		8-minute walk to Minami Gyotoku Station on the Tokyo Metro Tozai Line.				
Land	Ownership	Ownership				
	Area (Note 1)	433.02 sq. meters				
	Building Coverage	60%				
	Floor Area Ratio	200%				
Building	Ownership	Ownership				
	Use (Note 1)	Apartment building				
	Completion Date (Note 1)	March 31, 1992				
	Total Floor Area (Note 1)	919.37 sq. meters				
	Structure (Note 1)	RC, 5F				
	Leasable Units (Note 2)	38 unit (under 30 sq. meters: 37 units, 30-50 sq. meters: 1 unit)				
Property Management Company		Dainichi Co., Ltd. (Note 3)				
Master Leasing Company		Dainichi Co., Ltd. (Note 4)				
Type of Master Lease		Pass-through Structure (Note 5)				
Collateral		None				
Notes		None				
Acquisition Price		¥293,000 thousand				
Appraisal	Appraisal Method	Price survey by Japan Real Estate Institute				
	Appraisal Value	¥299,000 thousand				
	Appraisal Date	September 1, 2007				
Estimated NOI (Note 6)		¥21,415 thousand				
Leasing Status (as of October 12, 2007)						
Total Number of Tenants (Note 7)		16				
Total Rental Income		¥26,124 thousand				
Security Deposits		¥3,828 thousand				
Occupancy Rate		90.0%				
Total Leased Floor Area (Note 8)		596.56 sq. meters				
Total Leasable Floor Area (Note 2)		662.68 sq. meters				
Past Occupancy Rates		May 31, 2003	May 31, 2004	May 31, 2005	May 31, 2006	May 31, 2007
		100%	87.5%	82.5%	87.5%	100%

(Note 1) Location and Other Items

Location, Area, Completion Date, Total Floor Area, and Structure are based on the information in the real estate registry. Use is based on the main use of the type of building indicated in the real estate registry is stated.

(Note 2) 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 3) Property Management Company
The scheduled property management company after the acquisition is stated.
- (Note 4) Master Leasing Company
The master leasing company scheduled to enter into a master lease agreement after the completion of the acquisition is stated.
- (Note 5) 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 6) 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 94% 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 7) 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 8) 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.

(3) URBAN STAGE Gyotoku

Property Name		URBAN STAGE Gyotoku
Type of Asset		Real Estate
Location (Note 1)	Registry	1-2-3, -16 Fukuei Ichikawa-shi, Chiba
	Street Address	1-2-8 Fukuei Ichikawa-shi, Chiba
Access		10-minute walk to Gyotoku Station on the Tokyo Metro Tozai Line
Land	Ownership	Ownership
	Area (Note 1)	923.90 sq. meters
	Building Coverage	60%
	Floor Area Ratio	200%
Building	Ownership	Ownership
	Use (Note 1)	Apartment building
	Completion Date (Note 1)	June 30, 2001
	Total Floor Area (Note 1)	1,925.16 sq. meters
	Structure (Note 1)	RC, 6F
	Leasable Units (Note 2)	77 units (under 30 sq. meters: 77 units)
Property Management Company		Dainichi Co., Ltd. (Note 3)
Master Leasing Company		Dainichi Co., Ltd. (Note 4)
Type of Master Lease		Pass-through Structure (Note 5)
Collateral		None
Notes		None
Acquisition Price		¥948,000 thousand

Appraisal	Appraisal Method	Price survey by Japan Real Estate Institute				
	Appraisal Value	¥958,000 thousand				
	Appraisal Date	September 1, 2007				
Estimated NOI (Note 8)		¥55,957 thousand				
Leasing Status (as of October 12, 2007)						
Total Number of Tenants (Note 7)	1					
Total Rental Income	¥71,148 thousand					
Security Deposits	¥11,088 thousand					
Occupancy Rate	100%					
Total Leased Floor Area (Note 8)	2,237.19 sq. meters					
Total Leasable Floor Area (Note 2)	2,237.19 sq. meters					
Past Occupancy Rates	May 31, 2003	May 31, 2004	May 31, 2005	May 31, 2006	May 31, 2007	
	100%	100%	100%	100%	100%	

(Note 1) Location and Other Items
Location, Area, Completion Date, Total Floor Area, and Structure are based on the information in the real estate registry. Use is based on the main use of the type of building indicated in the real estate registry is stated.

(Note 2) 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 3) Property Management Company
The scheduled property management company after the acquisition is stated.

(Note 4) Master Leasing Company
The master leasing company scheduled to enter into a master lease agreement after the completion of the acquisition is stated.

(Note 5) 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 6) 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 7) 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 8) 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, etc.

(1) Building Condition Appraisal Report Summary

	URBAN STAGE Gyotoku Ekimae	URBAN STAGE Minami Gyotoku V
Building Condition Appraisal Report Issuer	Takenaka Corporation	Takenaka Corporation
Building Condition Appraisal Report Issue Date	Oct. 3, 2007	Oct. 3, 2007
Estimated Amount of Emergency Repair Expenses (Note 1)	—	—
Estimated Amount of Short Term Repair Expenses (Note 2)	—	¥520 thousand
Estimated Amount of Long Term Repair Expenses (Note 3)	¥45,950 thousand	¥62,090 thousand

	URBAN STAGE Gyotoku
Building Condition Appraisal Report Issuer	Takenaka Corporation
Building Condition Appraisal Report Issue Date	Oct. 4, 2007
Estimated Amount of Emergency Repair Expenses (Note 1)	—
Estimated Amount of Short Term Repair Expenses (Note 2)	¥190 thousand
Estimated Amount of Long Term Repair Expenses (Note 3)	¥78,930 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.

(2) Earthquake PML Appraisal Report

	URBAN STAGE Gyotoku Ekimae	URBAN STAGE Minami Gyotoku V
Earthquake PML Appraisal Report Issuer	Sompo Japan Risk Management, Inc.	Sompo Japan Risk Management, Inc.
Earthquake PML Appraisal Report Issue Date	July 2007	September 2007
Earthquake Risk Analysis (PML) (Note)	1.68%	3.50%

	URBAN STAGE Gyotoku
Earthquake PML Appraisal Report Issuer	Sompo Japan Risk Management, Inc.
Earthquake PML Appraisal Report Issue Date	July 2007
Earthquake Risk Analysis (PML) (Note)	5.24%

(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 properties are as follows:

The Fund has received appraisal results for the 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
URBAN STAGE Gyotoku Ekimae	Oura Tadayoshi Kenchiku Keikaku Office	Matsumura-gumi Corporation	Ichikawa City	HI International Consultant Co., Ltd
URBAN STAGE Minami Gyotoku V	F Sekkei Co., Ltd.	Kanayama General Contractor	Ichikawa City	HI International Consultant Co., Ltd
URBAN STAGE Gyotoku	Oura Tadayoshi Kenchiku Keikaku Office	Tobishima Corporation	Ichikawa City	HI International Consultant Co., Ltd

6. Seller Profile

Company Name	Dainichi Co., Ltd.
Head Office	1-1-9 Todaijima Urayasu-shi, Chiba
Representative	Genichi Mutsui, President
Capital	¥80,000 thousand (as of October 12, 2007)
Principal Shareholder	Genichi Mutsui, Hisahito Mutsui
Principal Business	Real estate business
Relationship with the Fund and/ or NREAM	None

7. Broker Profile

No brokers were involved in the transaction of the Properties.

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 Properties”

Reference Material 3 “Property Image”

(Reference Material 1)

Appraisal Report Summary

Property Name	URBAN STAGE Gyotoku Ekimae
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Appraisal Value	¥567,000,000
Appraisal Agency	Japan Real Estate Institute
Appraisal Date	September 1, 2007

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	567,000,000	Appraised using both the value calculated by means of the Direct Capitalization Method and the value using the Discount Cash Flow Method equally.
Value using the Direct Capitalization Method	572,000,000	
(1) Gross Income	39,429,000	
Potential Gross Income: (a)~(d)	41,504,000	
(a) Potential Rental Income	39,449,000	Appraisal of standard stable mid to long-term collectable rent, based on the attributes of the current lease agreement, standard new rent, and the occupying tenants of the residential and storage areas.
(b) Utility Expense Income	0	No such income.
(c) Parking Lot Income	0	No such income.
(d) Other Income	2,055,000	Appraisal of key money revenues based on the collectable number of months, average tenant turnover ratio, and average length of lease.
Vacancy and Other Losses	2,075,000	Appraisal based on the standard stable mid-to-long-term occupancy rate.
Bad Debt Losses	0	Decided the allocation is unnecessary, taking into account the tenants situation, etc.
(2) Total Expenses	6,380,000	
Maintenance Expenses	1,850,000	Appraised, taking into account the property's distinctness and referring to the current lease agreement based on the building management, etc.
Utility Expenses	357,000	Appraised, based on the standard of previous periods, taking into account the standard of similar buildings and the property's distinctness.
Repair Expenses	547,000	Allocation of appraised restoration expenses and repair expenses.
Property Management Fees	1,968,000	Appraisal based on the fee ratio of scheduled agreement conditions, taking into account the standard of similar buildings and the property's distinctness.
Tenant Recruit Expenses, etc.	0	No such expenses in the scheduled agreement.
Tax and Public Dues	1,556,000	Actual amount for year 2007 allocated for the land, and appraisal of the building and depreciable property tax, based on the tax base of year 2007.
Damage Insurance Fees	102,000	Allocated, taking into account the insurance fee (rough estimated amount) based on the scheduled insurance agreement and insurance fee ratio, etc., of similar buildings.
Other Expenses	0	No such expenses.
(3) Net Operating Income ((1)-(2))	33,049,000	
(4) Management Profit from Temporary Deposits	125,000	Appraisal based on the assumption that the temporary deposit has a 2.0% investment yield.
(5) Capital Expenditures	4,020,000	Appraised, assuming that average funds are accumulated every period and taking into account the building age, lease renewal fee average from the Building Condition Appraisal Report, etc.
(6) Net Cash Flow (NCF=(3)+(4)-(5))	29,154,000	

	(7) Capitalization Rate	5.1%	Appraised, taking into account the uncertainty and investment cap rate, etc., of similar buildings, while decreasing the spread that attributes from individual factors such as the property's location, building conditions, and other conditions, etc., based on the property's cap rate.
	Revenue Value Using the Discounted Cash Flow Method	562,000,000	
	Discount Rate	4.9%	Appraised, taking into account the total individuality of the property, with reference to the investment cap rate from transactions with similar properties.
	Final Capitalization Rate	5.3%	Appraised, based on the cap rate, and taking into account the cause of risk such as possible increase of capital expenditure due to the age deterioration of the building, the uncertainty of the rental apartment market trends, and the impact to the liquidity of the lapse in property age, etc.
	Cost Approach Value	521,000,000	
	Land Ratio	45.4%	
	Building Ratio	54.6%	

Items applied to adjustments in approaches to the value and the determination of the appraisal value	<p>The property is approx. 7 minutes away from Gyotoku Station on the Tokyo Metro Tozai Line, with excellent access to Otemachi Station in approx. 22 minutes. Also, in the surrounding area within walking distance, there are various convenient facilities for livability. The building is a 6-year-old rental apartment (46 units) for single adults, all the units a 1K room, able to meet the standard needs of recent single adults in area, facilities, etc. As the building is located in an area with easy access to the city and excellent livability, with mostly city commuters, the Fund can expect stable demand from not only individuals but also corporate businesses with a use for residences/dorms.</p> <p>The revenue stability is expected to be relatively high, as the Fund can expect demands from individuals and corporate businesses utilizing the building as a residence/dorm.</p> <p>Taking the above into account, the appraisal value was determined through a combination of both the property's appraisal value using the direct capitalization method, based on the mid to long term stable rent standard and occupancy rates, and the revenue value using the discounted cash flow method, clearly specifying the cash flow fluctuation during the operating period, with the cost approach value as a reference.</p>
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Appraisal Report Summary

Property Name	URBAN STAGE Minami Gyotoku V
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Appraisal Value	¥299,000,000
Appraisal Agency	Japan Real Estate Institute
Appraisal Date	September 1, 2007

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	299,000,000	Appraised using both the value calculated by means of the Direct Capitalization Method and the value using the Discount Cash Flow Method equally.
Value using the Direct Capitalization Method	306,000,000	
(1) Gross Income	29,480,000	
Potential Gross Income: (a)~(d)	31,816,000	
(a) Potential Rental Income	29,024,000	Appraisal of standard stable mid to long-term collectable rent, based on the attributes of the current lease agreement, standard new rent, and the occupying tenants of the residential and storage areas.
(b) Utility Expense Income	0	No such income.
(c) Parking Lot Income	1,260,000	Appraisal based on the standard stable mid to long term collectable usage charge.
(d) Other Income	1,532,000	Appraisal of key money and lease renewal revenues based on the collectable number of months, average tenant turnover ratio, and average length of lease.
Vacancy and Other Losses	2,336,000	Appraisal based on the standard stable mid to long term occupancy rate.
Bad Debt Losses	0	Decided the allocation is unnecessary, taking into account the tenants situation, etc.
(2) Total Expenses	6,716,000	
Maintenance Expenses	2,528,000	Appraised, taking into account the property's distinctness and referring to the current lease agreement based on the building management, etc.
Utility Expenses	693,000	Appraised, based on the standard of previous periods, taking into account the standard of similar buildings and the property's distinctness.
Repair Expenses	537,000	Allocation of appraised restoration expenses and repair expenses.
Property Management Fees	1,472,000	Appraisal based on the fee ratio of scheduled agreement conditions, taking into account the standard of similar buildings and the property's distinctness.
Tenant Recruit Expenses, etc.	0	No such expenses in the scheduled agreement.
Tax and Public Dues	1,393,000	Actual amount for year 2007 allocated for the land, and appraisal of the building and depreciable property tax, based on the tax base of year 2007.
Damage Insurance Fees	93,000	Allocated, taking into account the insurance fee (rough estimated amount) based on the scheduled insurance agreement and insurance fee ratio, etc., of similar buildings.
Other Expenses	0	No such expenses.
(3) Net Operating Income ((1)-(2))	22,764,000	
(4) Management Profit from Temporary Deposits	92,000	Appraisal based on the assumption that the temporary deposit has a 2.0% investment yield.
(5) Capital Expenditures	5,433,000	Appraised, assuming that average funds are accumulated every period and taking into account the building age, lease renewal fee average from the Building Condition Appraisal Report, etc.
(6) Net Cash Flow (NCF=(3)+(4)-(5))	17,423,000	

	(7) Capitalization Rate	5.7%	Appraised, taking into account the uncertainty and investment cap rate, etc., of similar buildings, while decreasing the spread that attributes from individual factors such as the property's location, building conditions, and other conditions, etc., based on the property's cap rate.
	Revenue Value Using the Discounted Cash Flow Method	292,000,000	
	Discount Rate	5.5%	Appraised, taking into account the total individuality of the property, with reference to the investment cap rate from transactions with similar properties.
	Final Capitalization Rate	6.2%	Appraised, based on the cap rate, and taking into account the cause of risk such as possible increase of capital expenditure due to the age deterioration of the building, the uncertainty of the rental apartment market trends, and the impact to the liquidity of the lapse in property age, etc., after the end of the analysis period (10 years).
	Cost Approach Value	284,000,000	
	Land Ratio	56.3%	
	Building Ratio	43.7%	

Items applied to adjustments in approaches to the value and the determination of the appraisal value	<p>The property is approx. 8 minutes away from Gyotoku Station on the Tokyo Metro Tozai Line, with excellent access to Otemachi Station in approx. 20 minutes. Also, in the surrounding area within walking distance are various convenient facilities for livability. The building is a 15-year-old rental apartment (38 units) for single adults, and all the units are 1K rooms. As the building has not properly assimilated the Floor Area Ratio, regarding the building's duration period, a part of the profit earning capability that the appraisal object originally possesses is latent. As the building is located in an area with easy access to the city and excellent livability, with mostly city commuters, the Fund can expect stable demand from not only individuals but also corporate businesses with a use for residences/dorms.</p> <p>The current rent is the same rate as the market rent, and the revenue stability is expected to be relatively high, taking into account the location, building conditions, etc.</p> <p>Taking the above into account, the appraisal value was determined through a combination of both the property's appraisal value using the direct capitalization method, based on the mid to long term stable rent standard and occupancy rates, and the revenue value using the discounted cash flow method, clearly specifying the cash flow fluctuation during the operating period, with the cost approach value as a reference.</p>
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Appraisal Report Summary

Property Name	URBAN STAGE Gytoku
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Appraisal Value	¥958,000,000
Appraisal Agency	Japan Real Estate Institute
Appraisal Date	September 1, 2007

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	958,000,000	Appraised using both the value calculated by means of the Direct Capitalization Method and the value using the Discount Cash Flow Method equally.
Value using the Direct Capitalization Method	966,000,000	
(1) Gross Income	65,975,000	
Potential Gross Income: (a)~(d)	69,447,000	
(a) Potential Rental Income	66,009,000	Appraisal of standard stable mid to long-term collectable rent, based on the attributes of the current lease agreement, standard new rent, and the occupying tenants of the residential and storage areas.
(b) Utility Expense Income	0	No such income.
(c) Parking Lot Income	0	No such income.
(d) Other Income	3,438,000	Appraisal of key money and lease renewal revenues based on the collectable number of months, average tenant turnover ratio, and average length of lease.
Vacancy and Other Losses	3,472,000	Appraisal based on the standard stable mid to long term occupancy rate.
Bad Debt Losses	0	Decided the allocation is unnecessary, taking into account the tenants situation, etc.
(2) Total Expenses	10,964,000	
Maintenance Expenses	2,641,000	Appraised, taking into account the property's distinctness and referring to the current lease agreement based on the building management, etc.
Utility Expenses	840,000	Appraised, based on the standard of previous periods, taking into account the standard of similar buildings and the property's distinctness.
Repair Expenses	1,052,000	Allocation of appraised restoration expenses and repair expenses.
Property Management Fees	3,292,000	Appraisal based on the fee ratio of scheduled agreement conditions, taking into account the standard of similar buildings and the property's distinctness.
Tenant Recruit Expenses, etc.	0	No such expenses in the scheduled agreement.
Tax and Public Dues	2,944,000	Actual amount for year 2007 allocated for the land, and appraisal of the building based on the tax base of year 2007.
Damage Insurance Fees	195,000	Allocated, taking into account the insurance fee (rough estimated amount) based on the scheduled insurance agreement and insurance fee ratio, etc., of similar buildings.
Other Expenses	0	No such expenses.
(3) Net Operating Income ((1)-(2))	55,011,000	
(4) Management Profit from (4) Temporary Deposits	209,000	Appraisal based on the assumption that the temporary deposit has a 2.0% investment yield.
(5) Capital Expenditures	6,907,000	Appraised, assuming that average funds are accumulated every period and taking into account the building age, lease renewal fee average from the Building Condition Appraisal Report, etc.
(6) Net Cash Flow (5) (NCF=(3)+(4)-(5))	48,313,000	
(7) Capitalization Rate	5.0%	Appraised, taking into account the uncertainty and investment cap rate, etc., of similar buildings, while decreasing the spread that attributes from individual factors such as the property's location, building conditions, and other conditions, etc., based on the property's cap rate.

	Revenue Value Using the Discounted Cash Flow Method	949,000,000	
	Discount Rate	4.9%	Appraised, taking into account the total individuality of the property, with reference to the investment cap rate from transactions with similar properties.
	Final Capitalization Rate	5.2%	Appraised, based on the cap rate, and taking into account the cause of risk such as possible increase of capital expenditure due to the age deterioration of the building, the uncertainty of the rental apartment market trends, and the impact to the liquidity of the lapse in property age, etc., after the end of the analysis period (10 years).
Cost Approach Value		899,000,000	
	Land Ratio	44.5%	
	Building Ratio	55.5%	

Items applied to adjustments in approaches to the value and the determination of the appraisal value	<p>The property is approx. a 10-minute walk to Gyotoku Station on the Tokyo Metro Tozai Line, with excellent access to Otemachi Station in approx. 22 minutes. Also, in the surrounding area within walking distance, there are various convenient facilities for livability. The building is a 6-year-old rental apartment (77 units) for single adults, of which all the units are 1K rooms, able to meet the standard needs of recent single adults in area, facilities, etc. As the building is located in an area with easy access to the city and excellent livability, with mostly city commuters, the Fund can expect stable demand from not only individuals but also corporate businesses with a use for residences/dorms.</p> <p>Currently, all 77 units are rented out as company housing to the same company and the revenue stability is expected to be relatively high, as the Fund can expect demands from individuals and corporate businesses utilizing the building as a residence/dorm.</p> <p>Taking the above into account, the appraisal value was determined through a combination of both the property's appraisal value using the direct capitalization method, based on the mid to long term stable rent standard and occupancy rates, and the revenue value using the discounted cash flow method, clearly specifying the cash flow fluctuation during the operating period, with the cost approach value as a reference.</p>
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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	1.2	1st FP
	PROUD FLAT Hatsudai	Shibuya-ku, Tokyo	958.98	31	865,000	0.9	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	2.4	2nd FP
	PROUD FLAT Kacurazaka	Shinjuku-ku, Tokyo	1,793.43	70	1,540,000	1.7	1st FP
	PROUD FLAT Waseda	Shinjuku-ku, Tokyo	1,450.91	60	1,110,000	1.2	2nd FP
	PROUD FLAT Sangen Java	Setagaya-ku, Tokyo	1,277.82	48	1,350,000	1.5	1st FP
	PROUD FLAT Kamata	Ota-ku, Tokyo	1,541.64	67	1,140,000	1.2	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	1.0	1st FP
	PRIME URBAN Tamachi	Minato-ku, Tokyo	1,107.36	48	941,000	1.0	1st FP
	PRIME URBAN Ebisu Minami	Shibuya-ku, Tokyo	881.89	21	947,000	1.0	1st FP
	PRIME URBAN Yoyogi	Shibuya-ku, Tokyo	439.56	19	408,000	0.4	1st FP
	PRIME URBAN Bancho	Chiyoda-ku, Tokyo	1,277.04	52	1,170,000	1.3	1st FP
	PRIME URBAN Chivoda Fujimi	Chiyoda-ku, Tokyo	793.87	32	707,000	0.8	1st FP
	PRIME URBAN Idabashi	Chiyoda-ku, Tokyo	2,087.70	90	2,030,000	2.2	1st FP
	PRIME URBAN Ebisu	Meguro-ku, Tokyo	1,444.40	29	1,200,000	1.3	1st FP
	PRIME URBAN Naka Meguro	Meguro-ku, Tokyo	1,302.42	49	1,320,000	1.4	1st FP
	PRIME URBAN Gakugei Daigaku	Meguro-ku, Tokyo	1,008.39	32	886,000	1.0	1st FP
	PRIME URBAN Senzoku	Meguro-ku, Tokyo	655.27	22	536,000	0.6	1st FP
	PRIME URBAN Meguro Riverside	Meguro-ku, Tokyo	453.77	24	464,000	0.5	2nd FP
	PRIME URBAN Nishi Shinjuku I	Shinjuku-ku, Tokyo	1,459.86	60	1,290,000	1.4	1st FP
	PRIME URBAN Nishi Shinjuku II	Shinjuku-ku, Tokyo	1,162.55	46	1,000,000	1.1	1st FP
	PRIME URBAN Shinjuku Naitomachi	Shinjuku-ku, Tokyo	578.18	14	512,000	0.6	1st FP
	PRIME URBAN Nishi Waseda	Shinjuku-ku, Tokyo	507.11	28	503,000	0.5	2nd FP
	PRIME URBAN Sangen Java	Setagaya-ku, Tokyo	874.15	33	835,000	0.9	1st FP
	PRIME URBAN Minami Karasuyama	Setagaya-ku, Tokyo	1,049.73	41	840,000	0.9	2nd FP
	PRIME URBAN Karasuyama Galleria	Setagaya-ku, Tokyo	835.05	33	645,000	0.7	2nd FP
	PRIME URBAN Karasuyama Court	Setagaya-ku, Tokyo	576.20	23	413,000	0.4	2nd 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	1.8	1st FP
	PRIME URBAN Omori	Ota-ku, Tokyo	1,190.70	54	824,000	0.9	1st FP
	PRIME URBAN Kita Senzoku	Ota-ku, Tokyo	834.90	46	576,000	0.6	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	2.4	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	1.3	1st FP
	PRIME URBAN Kinshicho	Sumida-ku, Tokyo	991.62	49	668,000	0.7	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	1.0	1st FP
	PRIME URBAN Uravasu	Uravasu-shi, Chiba	1,264.84	60	840,000	0.9	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	0.8	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	0.8	1st FP
	URBAN STAGE Azabu Juban	Minato-ku, Tokyo	1,222.13	40	991,000	1.1	1st FP
	URBAN STAGE Hatagaya	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	2.5	1st FP
	URBAN STAGE Naka Ochiai	Shinjuku-ku, Tokyo	1,237.98	18	655,000	0.7	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 Kamiuma	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	0.8	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	0.4	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	1.2	1st FP
	URBAN STAGE Yukigaya	Ota-ku, Tokyo	1,536.59	94	970,000	1.0	1st FP
	URBAN STAGE Ikegami	Ota-ku, Tokyo	2,456.48	95	1,460,000	1.6	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	0.4	1st FP
	URBAN STAGE Mukojima	Sumida-ku, Tokyo	1,108.91	55	487,000	0.5	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	0.2	1st FP
	URBAN STAGE Hino	Hino-shi, Tokyo	994.68	54	319,000	0.3	1st FP
	URBAN STAGE Musashi Kosugi comodo	Kawasaki-shi, Kanagawa	3,690.37	56	2,150,000	2.3	2nd 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	0.1	1st FP
	URBAN STAGE Uravasu	Uravasu-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 Yotsuya Gaien Higashi	Shinjuku-ku, Tokyo	1,759.61	51	1,700,000	1.8	1st FP
	Sub Total (87 Properties)		100,646.28	4,074	69,806,000	75.5	

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	0.7	1st FP
	PRIME URBAN Aoi	Nagova-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	0.7	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	0.3	1st FP
	Benefis Hakata Grand Suite	Fukuoka-shi, Fukuoka	2,176.23	67	830,000	0.9	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	6.1	
	Total (97 Properties)		115,407.17	4,544	75,420,000	81.5	

[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	PROUD FLAT Yokohama (tentative name)	Yokohama-shi, Kanagawa	3,118.12	113	2,340,000	2.5	3rd FP
	PRIME URBAN Meguro Ohashi Hills (tentative name)	Meguro-ku, Tokyo	2,955.74	99	3,580,000	3.9	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
	URBAN STAGE Gvotoku Ekimae	Ichikawa-shi, Chiba	1,162.60	46	561,000	0.6	3rd FP
	URBAN STAGE Minami Gvotoku V	Ichikawa-shi, Chiba	662.68	38	293,000	0.3	3rd FP
	URBAN STAGE Gvotoku	Ichikawa-shi, Chiba	2,237.19	77	948,000	1.0	3rd FP
Other Areas	Sub Total (8 Properties)		13,124.57	492	10,155,000	11.0	
	PRIME URBAN Hokudaimae (tentative name)	Sapporo-shi, Hokkaido	1,851.39	60	600,000	0.6	3rd FP
	PRIME URBAN Kita Niiuvo Io (tentative name)	Sapporo-shi, Hokkaido	1,773.90	36	503,700	0.5	3rd FP
	PRIME URBAN Miyanosawa (tentative name)	Sapporo-shi, Hokkaido	2,114.53	54	576,200	0.6	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)	Nagova-shi, Aichi	1,391.02	58	632,000	0.7	3rd FP
	Benefis Kashi (tentative name)	Fukuoka-shi, Fukuoka	1,231.79	39	396,000	0.4	3rd FP
	Benefis Yoshizuka Grand Suite (tentative name)	Fukuoka-shi, Fukuoka	1,856.92	65	693,000	0.7	3rd FP
	Benefis Chihaya (tentative name)	Fukuoka-shi, Fukuoka	1,738.87	48	545,000	0.6	3rd FP
	PRIME URBAN Tsurumai (tentative name)	Nagova-shi, Aichi	2,502.11	104	1,189,096	1.3	5th FP
	Sub Total (12 Properties)		20,313.16	627	6,911,696	7.5	
	Total (20 Properties)		33,437.73	1,119	17,066,696	18.5	

[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 (95 Properties)	113,770.85	4,566	79,961,000	86.5
Other Areas (22 Properties)	35,074.05	1,097	12,525,696	13.5
Total (117 Properties)	148,844.90	5,663	92,486,696	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) "Aquired Period" "Aquiring 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

(1) URBAN STAGE Gyotoku Ekimae



Property Image

(2) URBAN STAGE Minami Gyotoku V



Property Image

(3) URBAN STAGE Gyotoku

