



NOMURA
Residential Fund

For Translation Purposes Only

March 28, 2008

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 to acquire real estate, as briefly explained below.

1. Summary of the Asset

Type of Asset	Real estate
Property Name	PROUD FLAT Kawaramachi (tentative name)
Acquisition Price	¥724,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	March 28, 2008 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	December 19, 2008 (date of delivery of the real estate)
Seller	Nomura Real Estate Development 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 this property in accordance with the Fund’s policies as stipulated in the Articles of Incorporation. The Fund places particular value on the following factors.

- This property is a 6 minute walk from Kawaramachi Station on the Sendai Municipal Subway Namboku Line, which is the main public transportation in Sendai. On this line, access to the business and commercial center, such as Sendai Station (approx. 5 min), Kotodai Koen Station (approx. 8 min), which is the nearest station to the Miyazaki Prefectural Government, Sendai City Hall, etc., are convenient. Also, this property is located close to Tohoku University and Tohoku Gakuin University. The Fund can expect stable demand from people commuting into the city and people affiliated with the university (faculty, students, etc.), etc.
- This property has convenient access to the Nagamachi area, a center of southern Sendai, and Nagamachi Minami area, where large-scale shopping centers, etc., are located. Natural environments such as Hirose River are also located close by, which provides this area with both living convenience and excellent environment.
- This property consists of 7 types of 1K and 1LDK room layouts in 13 variations (some with roof balconies). The rooms have a leisurely layout and open view baths (34 of the 64 units), etc., promoting product differentiation.

As this property is still under construction and scheduled to be completed in November 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		PROUD FLAT Kawaramachi (tentative name)
Type of Asset		Real Estate
Location (Note 1)	Registry	2-10 Aza Hachikenkoji, Minami Koizumi, Wakabayashi-ku, Sendai-shi, Miyagi
	Street Address	(Note 2)
Access		6-minute walk from Kawaramachi Station on the Sendai Municipal Subway Namboku Line.
Land	Ownership	Ownership
	Area (Note 1)	1,188.54 sq. meters
	Building Coverage	70% (Note 3)
	Floor Area Ratio	200%
Building	Ownership	Ownership
	Use (Note 1)	Apartment building
	Completion Date (Note 1)	November 2008 (scheduled)
	Total Floor Area (Note 1)	2,354.19 sq. meters
	Structure (Note 1)	RC, 6F
	Leasable Units (Note 1)	64 units (under 30 sq. meters: 48 units, 30-50 sq. meters: 16 units)

Property Management Company		To be determined			
Master Leasing Company		To be determined			
Type of Master Lease (Note 4)		Pass-through Structure			
Collateral		None			
Notes		None			
Acquisition Price		¥724,000 thousand			
Price Survey (Note 5)	Survey Method	Price survey by Japan Real Estate Institute			
	Survey Value	¥724,000 thousand			
	Survey Date	March 1, 2008			
Estimated NOI (Note 6)		¥41,511 thousand			
Leasing Status (as of March 28, 2008) (Note 7)					
Total Number of Tenants	—				
Total Rental Income	—				
Security Deposits	—				
Occupancy Rate	—				
Total Leased Floor Area	—				
Total Leasable Floor Area (Note 1)	1,967.54 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. 71.26 sq. meters is considered to be part of the road according to Article 42, Paragraph 2 of the Building Standard Law.

(Note 2) Street Address

This property is located in an area without a Street Addressing System.

(Note 3) Building Coverage

As the property is located within a category 2 residential district, 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 to be conducted by the real estate appraiser on the appraisal date, assuming that the completion of the building is on schedule.

(Note 6) Estimated NOI

The amount of rent revenue minus rent expenses (excluding depreciation), omitting figures less than one thousand, from the price survey done by Japan Real Estate Institute, is stated (refer to Reference Material 1 “Appraisal Report Summary”).

(Note 7) Leasing Status

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

4. Building Condition Appraisal Report Summary

(1) Building Condition Appraisal Report

	PROUD FLAT Kawaramachi (tentative name)
Building Condition Appraisal Report Issuer	Takenaka Corporation
Building Condition Appraisal Report Issue Date	March 10, 2008
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)	¥16,209 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) PML Appraisal Report

	PROUD FLAT Kawaramachi (tentative name)
Earthquake PML Appraisal Report Issuer	Sompo Japan Risk Management, Inc.
Earthquake PML Appraisal Report Issue Date	March 2008
Earthquake Risk Analysis (PML) (Note)	4.09%

(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 structural calculation conformation examiner for the properties are as follows.

The Fund has received the structural calculation confirmation (the confirmation that the structural calculation was executed according to the method established by the Minister of Land, Infrastructure, Transport, and Tourism) from the specified structural calculation confirmation agency stated in the structural calculation confirmation examiner box below, due to the revisions in the Building Standards Law enforced in June 2007 (newly revised Building Standards Law).

Property Name	Architect	Contractor	Building Permit Agency	Examiner
PROUD FLAT Kawaramachi (tentative name)	Ems Kikaku Sekkei	Ohki Corporation	Japan ERI Co., Ltd.	Miyazaki Architecture Residence Center

6. Seller Profile

Company Name	Nomura Real Estate Development Co., Ltd.
Head Office	1-26-2 Nishi Shinjuku, Shinjuku-ku Tokyo
Representative	Hirohisa Suzuki, President
Capital	¥2,000,000 thousand (as of April 1, 2007)
Principal Shareholder	Nomura Real Estate Holdings, Inc. (100%)
Principal Business	Real Estate
Relationship with the Fund and/or NREAM	Nomura Real Estate Development Co., Ltd. is an affiliated company of Nomura Real Estate Holdings, Inc., which has 100% ownership of Nomura Real Estate Asset Management Co., Ltd., the Fund's asset management company, and therefore, is a Related Party under the Investment Trust Law.

7. Status of Previous Owner

Property Name	PROUD FLAT Kawaramachi (tentative name) (2-10 Aza Hachikenkoji, Minami Koizumi, Wakabayashi-ku, Sendai-shi, Miyagi)
Property Owner Status	Previous Owner
Company Name	Nomura Real Estate Development Co., Ltd.
Relationship with NREAM	An affiliated company (100%) of Nomura Real Estate Holdings, Inc., which holds 100% ownership of Nomura Real Estate Asset Management Co., Ltd., the Fund's asset management company.
Acquisition Process & Reasons, etc.	Developed with the purpose of selling
Acquisition Price (including other expenses)	—
Time of Acquisition	—

8. Broker Profile

No brokers were involved in the transaction of the Property.

9. Transactions with Related Parties

The transactions of the six properties are considered transactions with a Related Party under the Investment Trust Law. Therefore, the asset management company's Compliance Committee and Residence Management Division Investment Committee has deliberated and given its approval on the acquisition, acquisition price and other conditions of the Property according to the Residence Management Division Investment Committee Policy, the Compliance Policy, the Compliance Manual, etc.

10. Forecasts

Forecasts of financial results for the third fiscal period (December 1, 2007 to May 31, 2008) and fourth fiscal period (June 1, 2008 to November 30, 2008) 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)

Price Survey Summary

Property Name	PROUD FLAT Kawaramachi (tentative name)
Appraisal Value	¥724,000,000
Appraisal Agency	Japan Real Estate Institute
Appraisal Date	March 1, 2008

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	724,000,000	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	731,000,000	
(1) Gross Income	54,840,000	
Potential Gross Income: (a)~(d)	58,760,000	
(a) Rental Income Including Common Area Fees	53,218,000	Appraisal of standard stable mid to long-term collectable rent, based on the attributes of the scheduled lease agreement, standard new rent, and the attributes of the scheduled tenants, etc.
(b) Utility Expense Income	0	No such income.
(c) Parking Lot Income	4,399,000	Appraisal of standard stable mid to long-term collectable rent, based on the attributes of the scheduled rent conditions, standard rent when assuming new lease, etc.
(d) Other Income	1,143,000	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	3,920,000	Appraisal based on the standard stable mid-to-long-term occupancy rate.
Bad Debt Losses	0	
(2) Total Expenses	13,329,000	
Maintenance Expenses	3,150,000	Appraised, taking into account the property's distinctness and referring to the scheduled lease agreement based on the building management, etc.
Utility Expenses	806,000	Appraised taking into account the standard of similar buildings and the property's distinctness.
Repair Expenses	832,000	Allocation of appraised restoration expenses and repair expenses.
Property Management Fees	1,694,000	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.	1,094,000	Allocation of business expenses concerning recruit and contract of new tenants, taking into account scheduled rent conditions and rent conditions of similar buildings in the area, etc.
Tax and Public Dues	4,165,000	Actual amount for year 2007 allocated for the land, and appraisal of the building based on replacement costs.
Damage Insurance Fees	190,000	Allocation of the scheduled insurance agreement, taking into account the insurance fee (rough estimated amount).
Other Expenses	1,398,000	Allocation of local organization fees and the expense of securing parking lots outside of the property.
(3) Net Operating Income ((1)-(2))	41,511,000	
(4) Management Profit from Temporary Deposits	173,000	Appraisal based on the assumption that the temporary deposit has a 2.0% investment yield.
(5) Capital Expenditures	1,492,000	Appraised, 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))	40,192,000	

	(7) Capitalization Rate	5.5%	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	716,000,000	
	Discount Rate	5.3%	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	5.7%	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 after the end of the period analysis (10 years), the uncertainty of the rental apartment market trends, and the impact to the liquidity of the lapse in property age, etc.
	Cost Approach Value	681,000,000	
	Land Ratio	25.0%	
	Building Ratio	75.0%	

Items applied to adjustments in approaches to the value and the determination of the appraisal value	<p>The property is a 6-minute walk from Kawaramachi Station on the Municipal Subway Namboku Line and has excellent access, approx. 5 minutes, to Sendai Station, the center of the city. Also, in the surrounding area are convenient facilities for daily life. The property is a newly built rental apartment (64 apartment units) for single adults, and as all the units are 1K and 1LDK rooms, the room layout, specification, etc., are able to meet the standard needs of recent single adults. As the property is located in an area with easy access to the city and excellent livability and with many people commuting into the city, the Fund can expect stable demand from not only individuals but also corporate businesses with a use for residences/dorms.</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 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	0.9	1st FP
	PROUD FLAT Hatsudai	Shibuya-ku, Tokyo	958.98	31	865,000	0.7	1st FP
	PROUD FLAT Gakugei Daigaku	Meguro-ku, Tokyo	934.39	41	812,000	0.7	1st FP
	PROUD FLAT Meguro Gvoinzaka	Meguro-ku, Tokyo	855.23	40	882,000	0.8	1st FP
	PROUD FLAT Sumida Riverside	Chuo-ku, Tokyo	3,055.21	110	2,260,000	1.9	2nd FP
	PROUD FLAT Kagurazaka	Shinjuku-ku, Tokyo	1,793.43	70	1,540,000	1.3	1st FP
	PROUD FLAT Waseda	Shinjuku-ku, Tokyo	1,450.91	60	1,110,000	0.9	2nd FP
	PROUD FLAT Sangen Java	Setagaya-ku, Tokyo	1,277.82	48	1,350,000	1.2	1st FP
	PROUD FLAT Kamata	Ota-ku, Tokyo	1,541.64	67	1,140,000	1.0	1st FP
	PROUD FLAT Kivosumi Shirakawa	Koto-ku, Tokyo	1,209.56	55	900,000	0.8	1st FP
	PROUD FLAT Yokohama	Yokohama-shi, Kanagawa	3,118.12	113	2,340,000	2.0	3rd FP
	PROUD FLAT Kamioooka	Yokohama-shi, Kanagawa	4,872.17	200	2,770,000	2.4	3rd FP
	PRIME URBAN Akasaka	Minato-ku, Tokyo	1,062.05	25	956,000	0.8	1st FP
	PRIME URBAN Tamachi	Minato-ku, Tokyo	1,107.36	48	941,000	0.8	1st FP
	PRIME URBAN Ebisu Minami	Shibuya-ku, Tokyo	881.89	21	947,000	0.8	1st FP
	PRIME URBAN Yoyogi	Shibuya-ku, Tokyo	439.56	19	408,000	0.3	1st FP
	PRIME URBAN Bancho	Chiyoda-ku, Tokyo	1,277.04	52	1,170,000	1.0	1st FP
	PRIME URBAN Chivoda Fujimi	Chiyoda-ku, Tokyo	793.87	32	707,000	0.6	1st FP
	PRIME URBAN Idabashi	Chiyoda-ku, Tokyo	2,087.70	90	2,030,000	1.7	1st FP
	PRIME URBAN Ebisu	Meguro-ku, Tokyo	1,444.40	29	1,200,000	1.0	1st FP
	PRIME URBAN Naka Meguro	Meguro-ku, Tokyo	1,302.42	49	1,320,000	1.1	1st FP
	PRIME URBAN Gakugei Daigaku	Meguro-ku, Tokyo	1,008.39	32	886,000	0.8	1st FP
	PRIME URBAN Senzoku	Meguro-ku, Tokyo	655.27	22	536,000	0.5	1st FP
	PRIME URBAN Meguro Riverside	Meguro-ku, Tokyo	453.77	24	464,000	0.4	2nd FP
	PRIME URBAN Meguro Ohashi Hills	Meguro-ku, Tokyo	2,955.74	99	3,580,000	3.1	3rd FP
	PRIME URBAN Hakusan	Bunkyo-ku, Tokyo	1,069.82	42	893,000	0.8	3rd FP
	PRIME URBAN Nishi Shinjuku I	Shinjuku-ku, Tokyo	1,459.86	60	1,290,000	1.1	1st FP
	PRIME URBAN Nishi Shinjuku II	Shinjuku-ku, Tokyo	1,162.55	46	1,000,000	0.9	1st FP
	PRIME URBAN Shinjuku Naitomachi	Shinjuku-ku, Tokyo	578.18	14	512,000	0.4	1st FP
	PRIME URBAN Nishi Waseda	Shinjuku-ku, Tokyo	507.11	28	503,000	0.4	2nd FP
	PRIME URBAN Sangen Java	Setagaya-ku, Tokyo	874.15	33	835,000	0.7	1st FP
	PRIME URBAN Minami Karasuyama	Setagaya-ku, Tokyo	1,049.73	41	840,000	0.7	2nd FP
	PRIME URBAN Karasuyama Galleria	Setagaya-ku, Tokyo	835.05	33	645,000	0.6	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	0.5	1st FP
	PRIME URBAN Osaki	Shinagawa-ku, Tokyo	2,106.16	99	1,700,000	1.5	1st FP
	PRIME URBAN Omori	Ota-ku, Tokyo	1,190.70	54	824,000	0.7	1st FP
	PRIME URBAN Kita Senzoku	Ota-ku, Tokyo	834.90	46	576,000	0.5	1st FP
	PRIME URBAN Nakano Kamitakada	Nakano-ku, Tokyo	818.75	33	640,000	0.5	3rd FP
	PRIME URBAN Nishi Oetokubo	Suginami-ku, Tokyo	543.09	24	435,000	0.4	1st FP
	PRIME URBAN Otsuka	Toshima-ku, Tokyo	944.99	46	794,000	0.7	1st FP
	PRIME URBAN Monzen Nakacho	Koto-ku, Tokyo	3,127.94	117	2,200,000	1.9	1st FP
	PRIME URBAN Kameido	Koto-ku, Tokyo	1,117.34	52	705,000	0.6	1st FP
	PRIME URBAN Sumiyoshi	Koto-ku, Tokyo	813.52	40	552,000	0.5	1st FP
	PRIME URBAN Kinshi Koen	Sumida-ku, Tokyo	1,886.50	77	1,180,000	1.0	1st FP
	PRIME URBAN Kinsicho	Sumida-ku, Tokyo	991.62	49	668,000	0.6	1st FP
	PRIME URBAN Hirai	Edogawa-ku, Tokyo	1,095.91	53	700,000	0.6	1st FP
	PRIME URBAN Kasai	Edogawa-ku, Tokyo	905.81	45	637,000	0.5	1st FP
	PRIME URBAN Kasai II	Edogawa-ku, Tokyo	1,437.84	68	958,000	0.8	1st FP
	PRIME URBAN Uravasu	Uravasu-shi, Chiba	1,264.84	60	840,000	0.7	1st FP
	PRIME URBAN Gvotoku I	Ichikawa-shi, Chiba	1,151.36	52	635,000	0.5	1st FP
	PRIME URBAN Gvotoku II	Ichikawa-shi, Chiba	1,244.00	58	741,000	0.6	1st FP
	PRIME URBAN Gvotoku Ekimae	Ichikawa-shi, Chiba	778.19	37	476,000	0.4	1st FP
	PRIME URBAN Nishi Funabashi	Funabashi-shi, Chiba	1,237.80	60	772,000	0.7	1st FP
	URBAN STAGE Azabu Juban	Minato-ku, Tokyo	1,222.13	40	991,000	0.8	1st FP
	URBAN STAGE Hatagaya	Shibuya-ku, Tokyo	650.60	38	452,000	0.4	1st FP
	URBAN STAGE Toritsu Daigaku	Meguro-ku, Tokyo	996.81	16	524,000	0.4	1st FP
	URBAN STAGE Kachidoki	Chuo-ku, Tokyo	4,481.82	144	2,290,000	2.0	1st FP
	URBAN STAGE Shinkawa	Chuo-ku, Tokyo	3,600.61	46	2,250,000	1.9	3rd FP
	URBAN STAGE Hongo Ikizaka	Bunkyo-ku, Tokyo	662.58	27	647,000	0.6	3rd FP
	URBAN STAGE Naka Ochiai	Shinjuku-ku, Tokyo	1,237.98	18	655,000	0.6	1st FP
	URBAN STAGE Ochiai	Shinjuku-ku, Tokyo	517.53	32	324,000	0.3	1st FP
	URBAN STAGE Shinjuku Ochiai	Shinjuku-ku, Tokyo	1,053.39	28	635,000	0.5	3rd FP
	URBAN STAGE Roka Koen	Setagaya-ku, Tokyo	567.20	34	362,000	0.3	1st FP
	URBAN STAGE Kamiuma	Setagaya-ku, Tokyo	1,739.86	37	900,000	0.8	1st FP
	URBAN STAGE Sangen Java	Setagaya-ku, Tokyo	1,018.72	47	755,000	0.6	1st FP
	URBAN STAGE Chitose Karasuyama	Setagaya-ku, Tokyo	1,774.01	27	730,000	0.6	1st FP
	URBAN STAGE Sangen Java II	Setagaya-ku, Tokyo	810.98	17	539,000	0.5	1st FP
	URBAN STAGE Komazawa	Setagaya-ku, Tokyo	572.41	26	396,000	0.3	1st FP
	URBAN STAGE Karasuyama	Setagaya-ku, Tokyo	507.52	28	344,000	0.3	1st FP
	URBAN STAGE Kamikitazawa	Setagaya-ku, Tokyo	1,384.45	29	738,000	0.6	3rd FP
	URBAN STAGE Oimachi	Shinagawa-ku, Tokyo	722.70	45	530,000	0.5	1st FP
URBAN STAGE Oimachi II	Shinagawa-ku, Tokyo	1,719.82	92	1,100,000	0.9	1st FP	
URBAN STAGE Yukigaya	Ota-ku, Tokyo	1,536.59	94	970,000	0.8	1st FP	
URBAN STAGE Ikegami	Ota-ku, Tokyo	2,456.48	95	1,460,000	1.2	1st FP	
URBAN STAGE Nakano	Nakano-ku, Tokyo	801.30	51	472,000	0.4	1st FP	
URBAN STAGE Takaido	Suginami-ku, Tokyo	1,746.20	107	1,080,000	0.9	1st FP	
URBAN STAGE Komagome	Toshima-ku, Tokyo	990.18	19	412,000	0.4	1st FP	
URBAN STAGE Mukoima	Sumida-ku, Tokyo	1,108.91	55	487,000	0.4	1st FP	
URBAN STAGE Ekoda	Nerima-ku, Tokyo	872.49	35	385,000	0.3	1st FP	
URBAN STAGE Takinokawa	Kita-ku, Tokyo	554.39	29	287,000	0.2	1st FP	
URBAN STAGE Asakusa	Taito-ku, Tokyo	876.70	22	350,000	0.3	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	1.8	2nd FP	
URBAN STAGE Kawasaki	Kawasaki-shi, Kanagawa	1,706.46	80	1,150,000	1.0	3rd FP	
URBAN STAGE Tsurumi Terava	Yokohama-shi, Kanagawa	952.06	50	457,000	0.4	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	0.2	1st FP	
URBAN STAGE Minami Gvotoku I	Ichikawa-shi, Chiba	682.05	41	357,000	0.3	1st FP	
URBAN STAGE Minami Gvotoku II	Ichikawa-shi, Chiba	611.61	37	285,000	0.2	1st FP	
URBAN STAGE Minami Gvotoku III	Ichikawa-shi, Chiba	543.84	33	263,000	0.2	1st FP	
URBAN STAGE Minami Gvotoku IV	Ichikawa-shi, Chiba	535.08	32	256,000	0.2	1st FP	
URBAN STAGE Gvotoku Ekimae	Ichikawa-shi, Chiba	927.33	46	561,000	0.5	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	1,766.47	77	948,000	0.8	3rd FP	

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)
	URBAN STAGE Minami Urawa	Saitama-shi, Saitama	694.05	32	274,000	0.2	1st FP
	URBAN STAGE Yono Hommachi	Saitama-shi, Saitama	1,372.74	70	519,000	0.4	1st FP
	Cosmo Gracia Yotsuva Gaien Higashi	Shinjuku-ku, Tokyo	1,759.61	51	1,700,000	1.5	1st FP
	Koganei Habitation	Koganei-shi, Tokyo	5,999.80	98	2,390,000	2.0	3rd FP
	Musashino Green Hills	Koganei-shi, Tokyo	2,970.50	78	1,590,000	1.4	3rd FP
	Sub Total (102 Properties)		134,215.15	5,108	91,231,000	78.1	
Other Areas	PROUD FLAT Itsutsubashi	Sendai-shi, Miyagi	1,861.56	60	682,000	0.6	1st FP
	PRIME URBAN Yamahana	Sapporo-shi, Hokkaido	1,518.58	33	377,000	0.3	1st FP
	PRIME URBAN Kita Iuvo Jo	Sapporo-shi, Hokkaido	1,155.60	36	336,000	0.3	1st FP
	PRIME URBAN Odori Koen I	Sapporo-shi, Hokkaido	1,850.20	53	530,000	0.5	1st FP
	PRIME URBAN Odori Koen II	Sapporo-shi, Hokkaido	1,148.72	36	322,000	0.3	1st FP
	PRIME URBAN Kita Juichi Jo	Sapporo-shi, Hokkaido	1,851.39	60	600,000	0.5	3rd FP
	PRIME URBAN Mivanosawa	Sapporo-shi, Hokkaido	2,114.53	54	576,200	0.5	3rd FP
	PRIME URBAN Odori Higashi	Sapporo-shi, Hokkaido	1,494.36	36	424,000	0.4	3rd FP
	PRIME URBAN Chiji Koukan	Sapporo-shi, Hokkaido	1,007.30	42	337,900	0.3	3rd FP
	PRIME URBAN Maruyama	Sapporo-shi, Hokkaido	911.07	27	283,200	0.2	3rd FP
	PRIME URBAN Kita Niijyo Jo	Sapporo-shi, Hokkaido	1,773.90	36	503,700	0.4	3rd FP
	PRIME URBAN Sapporo Idaimae	Sapporo-shi, Hokkaido	2,439.90	58	731,600	0.6	3rd FP
	PRIME URBAN Nagamachi Ichome	Sendai-shi, Miyagi	3,411.24	60	1,110,000	0.9	3rd FP
	PRIME URBAN Yaotome Chuo	Sendai-shi, Miyagi	1,380.21	43	428,000	0.4	3rd FP
	PRIME URBAN Aoi	Nagoya-shi, Aichi	1,571.04	46	724,000	0.6	1st FP
	PRIME URBAN Kanayama	Nagoya-shi, Aichi	1,391.02	58	632,000	0.5	3rd FP
	PRIME URBAN Esaka I	Suita-shi, Osaka	1,189.12	48	672,000	0.6	1st FP
	PRIME URBAN Esaka II	Suita-shi, Osaka	1,392.00	57	790,000	0.7	1st FP
	Benefis Hakata Grand Suite	Fukuoka-shi, Fukuoka	2,176.23	67	830,000	0.7	1st FP
	Benefis Yakun Minami	Fukuoka-shi, Fukuoka	897.84	34	351,000	0.3	1st FP
	Benefis Kashii Verbena	Fukuoka-shi, Fukuoka	1,222.34	39	396,000	0.3	3rd FP
	Benefis Hakata Higashi Grand Suite	Fukuoka-shi, Fukuoka	1,854.13	65	693,000	0.6	3rd FP
	Benefis Chihaya Grand Suite	Fukuoka-shi, Fukuoka	1,740.70	48	545,000	0.5	3rd FP
	Sub Total (23 Properties)		37,352.98	1,096	12,874,600	11.0	
	Total (125 Properties)		171,568.13	6,204	104,105,600	89.1	

[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 Shibuya Sakuragaoka (tentative name)	Shibuya-ku, Tokyo	638.70	30	800,000	0.7	3rd FP
	PROUD FLAT Shinjuku Kawadacho (tentative name)	Shinjuku-ku, Tokyo	1,102.20	41	1,010,000	0.9	3rd FP
	PROUD FLAT Shinotsuka (tentative name)	Toshima-ku, Tokyo	752.09	35	695,000	0.6	3rd FP
	PROUD FLAT Monzen Nakacho II (tentative name)	Koto-ku, Tokyo	830.55	35	650,000	0.6	3rd FP
	PRIME URBAN Kawaguchi	Kawaguchi-shi, Saitama	2,477.11	98	2,170,000	1.9	3rd FP
	PROUD FLAT Shirokane Takanawa (tentative name)	Minato-ku, Tokyo	2,950.11	106	3,510,000	3.0	4th FP
	PROUD FLAT Monzen Nakacho I (tentative name)	Koto-ku, Tokyo	1,191.08	55	1,130,000	1.0	4th FP
	PRIME URBAN Denenchofu Minami (tentative name)	Ota-ku, Tokyo	1,100.17	44	900,000	0.8	4th FP
	Sub Total (8 Properties)		11,042.01	444	10,865,000	9.3	
Other Areas	PROUD FLAT Kawaramachi (tentative name)	Sendai-shi, Miyagi	1,967.54	64	724,000	0.6	5th FP
	PRIME URBAN Tsurumai (tentative name)	Nagoya-shi, Aichi	2,502.11	104	1,189,096	1.0	5th FP
	Sub Total (2 Properties)		4,469.65	168	1,913,096	1.6	
	Total (10 Properties)		15,511.66	612	12,778,096	10.9	

[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 (110 Properties)	145,257.16	5,552	102,096,000	87.3
Other Areas (25 Properties)	41,822.63	1,264	14,787,696	12.7
Total (135 Properties)	187,079.79	6,816	116,883,696	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



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