



NOMURA
Residential Fund

For Translation Purposes Only

April 23, 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, and reached an agreement with the seller to acquire real estate, as briefly explained below.

1. Summary of the Asset

| | |
|-------------------------------|---|
| Type of Asset | Real estate |
| Property Name | PRIME URBAN Esaka III (tentative name) |
| Acquisition Price | ¥1,535,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes) |
| Date of Agreement | April 23, 2008 (date of agreement on purchase and sale of the real estate) |
| Scheduled Date of Acquisition | December 4, 2008 (date of delivery of the real estate) |
| Seller | Tamy Corporation (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.

- This property is a 3-minute walk from Esaka Station on the Osaka Municipal Subway Midosuji Line, one of the major lines in Osaka, and Kita Osaka Kyuko Railway. As it takes approx. 4, 11, and 15 minutes to Shin Osaka Station, Umeda Station, and Honmachi

Station, respectively, on the subway, the location has excellent accessibility to the main business and commercial areas in central Osaka. Also, as Osaka International Airport (Itami Airport) is approx. 30 minutes away on the Kita Osaka Kyuko Railway (transferring on to Osaka Monorail), access to both Shinkansen (bullet train) and the airport are convenient.

- In the surrounding area of Esaka Station are various commercial facilities and restaurants, such as Tokyu Hands and Gourmet City, and as Esaka Park, which has a library, etc., on their large premises (approx. 2.3 hectare), is a 6-minute walk, the property has an excellent location with convenient living facilities all within walking distance.
- Regarding the residential floors (3-15F), they consist of 1R and 1K room layouts in 4 different types and 6 variations, with high quality specifications such as inner hallways (common use) and all electric units, etc. Also, as over 60% of the units face a wide 16 meter road, which gives the rooms looking south an open feel, and the units looking north all provide a walk-in closet, adding to the close location of the station, the property has high competitiveness.
- As stated above, the Fund can expect stable demand from single adults, etc., including those who commute into the city.

Regarding the retail/office floors (2F), having the advantage of various office buildings and cram schools, etc. in the surrounding area and the close location of Esaka Station, the Fund can expect steady tenant demand, such as offices with customers, etc.

As the property is still under construction and scheduled to be completed in August 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 Esaka III (tentative name) |
| Type of Asset | | Real Estate |
| Location (Note 1) | Registry | 10-21 Hiroshiba-cho, Suita-shi, Osaka |
| | Street Address | (Note 2) |
| Access | | 3-minute walk to Esaka Station on the Osaka Municipal Subway Midosuji Line and Kita Osaka Kyuko Railway |
| Land | Ownership | Ownership |
| | Area (Note 1) | 384 sq. meters |
| | Building Coverage | 100% (Note 3) |
| | Floor Area Ratio | 600% |
| Building | Ownership | Ownership |
| | Use (Note 1) | Apartment building (Retail/Parking lot/Bicycle lot) |
| | Completion Date (Note 1) | August 2008 (scheduled) |

| | | | | | | |
|--|------------------------------|---|-----------------|-----------------|-----------------|-----------------|
| | Total Floor Area (Note 1) | 3,384.69 sq. meters | | | | |
| | Structure (Note 1) | RC, B1/15F | | | | |
| | Leasable Units (Note 1) | 79 Units (Under 30 sq. meters: 78 units, Retail/Offices: 1 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 | | ¥1,535,000 thousand | | | | |
| Survey (Note 5) | Survey Method | Price survey by HIRO & REAS Network, Inc. | | | | |
| | Survey Value | ¥1,540,000 thousand | | | | |
| | Survey Date | April 1, 2008 | | | | |
| Estimated NOI (Note 6) | | ¥81,959 thousand | | | | |
| Leasing Status (as of April 23, 2008) (Note 7) | | | | | | |
| Total Number of Tenants | | — | | | | |
| Total Rental Income | | — | | | | |
| Security Deposits | | — | | | | |
| Occupancy Rate | | — | | | | |
| Total Leased Floor Area | | — | | | | |
| Total Leasable Floor Area (Note 1) | | 2,151.67 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.

(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 within a commercial district, the Building Coverage would originally be 80%; however, the Building Coverage has been increased to 100%, as the Property is a fireproof building in a Fire Prevention District.

(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 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) Leasing Status

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

4. Building Condition Appraisal Report Summary, etc.

(1) Building Condition Appraisal Report Summary

| | |
|---|---|
| | PRIME URBAN Esaka III (tentative name) |
| Building Condition Appraisal Report Issuer | Tokyo Bldg-Tech Center Co., Ltd. |
| Building Condition Appraisal Report Issue Date | April 8, 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) | ¥8,430 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

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|--|---|
| | PRIME URBAN Esaka III (tentative name) |
| Earthquake PML Appraisal Report Issuer | Sompo Japan Risk Management, Inc. |
| Earthquake PML Appraisal Report Issue Date | April 2008 |
| Earthquake Risk Analysis (PML) (Note) | 12.62% |

(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 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 | Evaluation Agency |
|---|-------------------------------------|----------------------|-----------------------------------|--------------------|
| PRIME URBAN Esaka III (tentative name) | Fukushima Architecture Office | Enami Corporation | Japan Building Inspection Org. | AXIS SATOW Inc. |

6. Seller Profile

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|--|--|
| Company Name | Tamy Corporation |
| Head Office | 1-9-1 Edobori Nishi-ku, Osaka-shi, Osaka |
| Representative | Yoshifumi Arisumi, Representative Director |
| Capital | ¥50,000 thousand (as of April 23, 2008) |
| Principal Shareholder | Yoshifumi Arisumi |
| Principal Business | Real estate development and sales |
| Relationship with the Fund and/ or NREAM | None |

7. Broker Profile

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|--|---|
| Broker | Esaka Jisho KK |
| Relationship with the Fund and/ or NREAM | None |
| Commission | Due to the confidentiality obligation appointed in the brokerage contract, this information is not disclosed. |

8. Forecasts

Changes in financial results, due to the acquisition of the property, are slight and the 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 “Appraisal Report Summary”

Reference Material 2 “Portfolio After Acquisition of the Property”

Reference Material 3 “Property Image”

(Reference Material 1)

Price Survey Summary

| | |
|------------------|--|
| Property Name | PRIME URBAN Esaka III (tentative name) |
| Appraisal Value | ¥1,540,000,000 |
| Appraisal Agency | HIRO & REAS Network, Inc. |
| Appraisal Date | April 1, 2008 |

(Yen)

| Item | Content | Basis |
|--|---------------|--|
| Income Capitalization Approach Value | 1,540,000,000 | 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 | 1,640,000,000 | 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)) | 101,322,724 | |
| (a) Potential Rental Income | 106,344,840 | Appraisal based on the standard market rent. |
| (b) Vacancy Loss, etc. | 5,022,116 | Appraisal based on the market vacancy ratio. |
| (2) Operating Expenses | 19,363,088 | |
| Maintenance Expenses | 3,600,000 | Appraisal based on the estimated amount. |
| Utility Expenses | 968,863 | Appraisal based on similar examples and precedent examples. |
| Repair Expenses | 702,500 | Appraisal based on the Building Condition Appraisal Report by Tokyo Bldg-Tech Center Co., Ltd. |
| Unit Restoration Expenses | 400,469 | Appraisal based on similar examples and precedent examples. |
| Property Management Fees | 2,906,588 | Appraisal based on similar examples and precedent examples. |
| Tenant Recruit Expenses, etc. | 2,382,368 | Appraisal based on similar examples and precedent examples. |
| Separate Parking Lot Fees | 1,764,000 | Appraisal based on the scheduled amount. |
| Other Expenses | 484,432 | Appraisal based on similar examples and precedent examples. |
| Tax and Public Dues | 5,876,198 | Appraisal based on the estimated taxation base. |
| Insurance Fees | 277,670 | Appraisal based on the estimated amount. |
| (3) Net Operating Income (NOI=(1)-(2)) | 81,959,636 | |
| (4) Temporary Deposit Management Profits, etc. | 117,008 | Considering the ordinary deposit interest, etc. |
| (5) Capital Expenditures | 149,015 | Appraisal based on the Building Condition Appraisal Report by Tokyo Bldg-Tech Center Co., Ltd. |
| (6) Standardized Net Cash Flow (NCF=(3)-(4)) | 81,927,629 | |
| (7) Capitalization Rate | 5.0% | 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 | 1,540,000,000 | |
| Discount Rate | 5.0% | |
| Final Capitalization Rate | 5.3% | |
| Cost Approach Value | 1,280,000,000 | |
| Land Ratio | 44.1% | |
| Building Ratio | 55.9% | |

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| Items applied to adjustments in value calculations and to the determination of the appraisal value | The property has excellent access to the nearest station, a 3-minute walk to Esaka Station on the Osaka Municipal Subway Midosuji Line. This area has convenient large scale facilities located around the station and excellent access to areas such as Shin Osaka and Umeda. The property can meet stable tenant need in the future, from not only the location, but also because the building quality is above a certain level. The price survey value was determined in light of the above factors. |
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(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 Yovogi 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 Shibuya Sakuragaoka | Shibuya-ku, Tokyo | 638.70 | 30 | 800,000 | 0.7 | 3rd FP |
| | PROUD FLAT Gakugei Daigaku | Meguro-ku, Tokyo | 934.39 | 41 | 812,000 | 0.7 | 1st FP |
| | PROUD FLAT Meguro Gyoninzaka | Meguro-ku, Tokyo | 855.23 | 40 | 882,000 | 0.7 | 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 Shinjuku Kawadacho | Shinjuku-ku, Tokyo | 1,102.20 | 41 | 1,010,000 | 0.8 | 3rd FP |
| | PROUD FLAT Sangen Java | Setagaya-ku, Tokyo | 1,277.82 | 48 | 1,350,000 | 1.1 | 1st FP |
| | PROUD FLAT Kamata | Ota-ku, Tokyo | 1,541.64 | 67 | 1,140,000 | 1.0 | 1st FP |
| | PROUD FLAT Shinotsuka | Toshima-ku, Tokyo | 752.09 | 35 | 695,000 | 0.6 | 3rd FP |
| | PROUD FLAT Kivosumi Shirakawa | Koto-ku, Tokyo | 1,209.56 | 55 | 900,000 | 0.8 | 1st FP |
| | PROUD FLAT Monzen Nakacho II | Koto-ku, Tokyo | 830.55 | 35 | 650,000 | 0.5 | 3rd 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 | 2.3 | 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 Yovogi | 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 Chiyoda 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 | 0.7 | 1st FP |
| | PRIME URBAN Senzoku | Meguro-ku, Tokyo | 655.27 | 22 | 536,000 | 0.4 | 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 | 3.0 | 3rd FP |
| | PRIME URBAN Hakusan | Bunkyo-ku, Tokyo | 1,069.82 | 42 | 893,000 | 0.7 | 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 | 0.8 | 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 | 0.5 | 2nd FP |
| | PRIME URBAN Karasuyama Court | Setagaya-ku, Tokyo | 576.20 | 23 | 413,000 | 0.3 | 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 | 1.4 | 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 Ogikubo | 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 | 1.8 | 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 Kinshicho | 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 | 0.6 | 1st FP | |
| PRIME URBAN Kawaguchi | Kawaguchi-shi, Saitama | 2,477.11 | 98 | 2,170,000 | 1.8 | 3rd 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 | 1.9 | 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 | 0.5 | 3rd FP | |
| URBAN STAGE Naka Ochiai | Shinjuku-ku, Tokyo | 1,237.98 | 18 | 655,000 | 0.5 | 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 Kamiyama | 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 | 0.4 | 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 | 0.3 | 1st FP | |
| URBAN STAGE Mukojima | 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 | |

| 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 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 | 0.2 | 3rd FP |
| | URBAN STAGE Gvotoku | Ichikawa-shi, Chiba | 1,766.47 | 77 | 948,000 | 0.8 | 3rd FP |
| | 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 Yotsuya Gaien Higashi | Shinjuku-ku, Tokyo | 1,759.11 | 51 | 1,700,000 | 1.4 | 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 | 1.3 | 3rd FP |
| | Sub Total (107 Properties) | | 140,015.30 | 5,347 | 96,556,000 | 80.9 | |
| 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 Juvo 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 | 0.4 | 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 Niuvu 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 Ichhome | 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 Yakuin 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 | 10.8 | |
| | Total (130 Properties) | | 177,368.28 | 6,443 | 109,430,600 | 91.7 | |

[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 Shirokane Takanawa (tentative name) | Minato-ku, Tokyo | 2,950.11 | 106 | 3,510,000 | 2.9 | 4th FP |
| | PROUD FLAT Monzen Nakacho I (tentative name) | Koto-ku, Tokyo | 1,191.08 | 55 | 1,130,000 | 0.9 | 4th FP |
| | PRIME URBAN Denenchofu Minami (tentative name) | Ota-ku, Tokyo | 1,100.17 | 44 | 900,000 | 0.8 | 4th FP |
| | PRIME URBAN Chitose Funabashi (tentative name) | Setagaya-ku, Tokyo | 1,027.44 | 38 | 885,000 | 0.7 | 5th FP |
| | Sub Total (4 Properties) | | 6,268.80 | 243 | 6,425,000 | 5.4 | |
| 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 |
| | PRIME URBAN Esaka III (tentative name) | Suita-shi, Osaka | 2,151.67 | 79 | 1,535,000 | 1.3 | 5th FP |
| | Sub Total (3 Properties) | | 6,621.32 | 247 | 3,448,096 | 2.9 | |
| | Total (7 Properties) | | 12,890.12 | 490 | 9,873,096 | 8.3 | |

[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 (111 Properties) | 146,284.10 | 5,590 | 102,981,000 | 86.3 |
| Other Areas (26 Properties) | 43,974.30 | 1,343 | 16,322,696 | 13.7 |
| Total (137 Properties) | 190,258.40 | 6,933 | 119,303,696 | 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.