



NOMURA  
Residential Fund

For Translation Purposes Only

July 1, 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 has concluded the acquisition of real estate, as briefly explained below.

1. Summary of the Asset (the “Property”)

Type of Asset	Real estate
Property Name	URBAN STAGE Tsutsumidori Amamiya
Acquisition Price	¥969,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	July 1, 2008 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	July 1, 2008 (delivery date of the real estate)
Seller	Max Building, Inc. (refer to “6. Seller Profile” below)
Financing	Funds in hand and debt financing
Form of Payment	Payment in full at the time of purchase

2. Reasons for Acquisition

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

- The Property not only is located within a walking distance from the inner Sendai City area, but also has excellent accessibility to the inner city business/commercial areas, with the Property located 1 station (approx. 1 minute) away from Kotodai Koen Station and 3 stations (approx. 4 minutes) away from Sendai Station, both on the Sendai Municipal Subway Namboku Line (9 minute walk to Kita Yobancho Station).
- The Property is a convenient urban type asset, with livability facilities in the surrounding areas and also other large-scale commercial facilities (Sendai Mitsukoshi and large scale arcade malls) and public facilities (Miyagi Prefectural Government Building, Sendai City Hall, etc.) located in the inner city. Also, the Property is located in an area secluded from the highway, neighboring the green filled Tohoku University Amamiya Campus, an area known in Sendai as one of its distinguished educational districts, which appeals strongly to families.
- Originally planned as a condominium, the Property is made up of 5 types of high quality room layouts (2LDK and 3LDK), and due to plenty of storage space and also with a full view of the Tohoku University Amamiya Campus' lush greenery from the living room of all units, will promote product differentiation.
- As stated above, the Fund expects steady demand from a wide array of tenants, such as families and DINKs who commute to the inner city.

### 3. Property Summary

Property Name		URBAN STAGE Tsutsumidori Amamiya
Type of Asset		Real Estate
Location (Note 1)	Registry	104-1 Tsutsumidori Amamiya-machi, Aoba-ku Sendai-shi, Miyagi
	Street Address	4-37 Tsutsumidori Amamiya-machi, Aoba-ku Sendai-shi, Miyagi
Access		9-minute walk from Kita Yobancho Station on the Sendai Municipal Subway Namboku Line. 8-minute walk from Kita Sendai Station on the Sendai Municipal Subway Namboku Line.
Land	Ownership	Ownership (Land ownership: 100%)
	Area (Note 1)	1,274.45 sq. meters
	Building Coverage	80%
	Floor Area Ratio	360% (Note 2)
Building	Ownership	Ownership (Building ownership: 100%)
	Use (Note 1)	Apartment building
	Completion Date (Note 1)	August 25, 1995
	Total Floor Area (Note 1)	4,482.22 sq. meters
	Structure (Note 1)	SRC, 14F
	Leasable Units (Note 3)	65 units (50-70 sq. meters: 39 units, over 70 sq. meters: 26 units)
Property Management Company		REI Co., Ltd.
Master Leasing Company		REI Co., Ltd.
Type of Master Lease (Note 4)		Pass-through Structure (scheduled)
Collateral		None
Notes		None
Acquisition Price		¥969,000 thousand
Appraisal	Appraisal Method	Price survey by Japan Real Estate Institute

(Note 5)	Appraisal Value	¥996,000 thousand			
	Appraisal Date	June 1, 2008			
Estimated NOI (Note 5)		¥76,738 thousand			
Leasing Status (as of July 1, 2008)					
Total Number of Tenants		1			
Total Rental Income		¥84,445 thousand			
Security Deposits		¥16,948 thousand			
Occupancy Rate		100%			
Total Leased Floor Area (Note 6)		4,251.91 sq. meters			
Total Leasable Floor Area (Note 3)		4,251.91 sq. meters			
Past Occupancy Rates (Note 7)	May 31, 2004	May 31, 2005	May 31, 2006	May 31, 2007	May 31, 2008
	—%	—%	—%	—%	89.1%

(Note 1) Location and Other Items  
Location (registry), 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) Floor Area Ratio  
The Property's Floor Area Ratio limit was originally set at 400%, but the frontal road regulation (6 meters×60%) is prioritized.

(Note 3) Leasable Units and Total Leasable Floor Area  
Leasable Units indicates the number of leasable units as of today (which includes the number of stores, if any). Also, Total Leasable Floor Area indicates the total floor area of the leasable residences as of today (in the case where the common area, etc. is leased, the said area is also included. The Total Leasable Floor Area is not based on the real estate registry, but the floor area indicated in the lease agreement or the floor area calculated from the building as-built drawing, etc., and will not always equal, and at times may be higher than, the floor area written in the real estate registry).

(Note 4) Type of Master Lease  
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) 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 2008, concerning the tax and public dues.

(Note 6) 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.

(Note 7) Past Occupancy Rates  
Regarding the occupancy rates before May 2007, the figures are not stated, as the information has not been received from the owner.

#### 4. Building Condition Appraisal Report Summary

	URBAN STAGE Tsutsumidori Amamiya
Building Condition Appraisal Report Issuer	Takenaka Corporation
Building Condition Appraisal Report Issue Date	June 11, 2008
Estimated Amount of Emergency Repair Expenses (Note 1)	—
Estimated Amount of Short Term Repair Expenses (Note 2)	¥970 thousand
Estimated Amount of Long Term Repair Expenses (Note 3)	¥148,490 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.

	URBAN STAGE Tsutsumidori Amamiya
Earthquake PML Appraisal Report Issuer	Sompo Japan Risk Management, Inc.
Earthquake PML Appraisal Report Issue Date	May 2008
Earthquake Risk Analysis (PML) (Note)	1.63%

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

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

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

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

Property Name	Architect	Contractor	Building Permit Agency	Evaluation Agency
URBAN STAGE Tsutsumidori Amamiya	SXL Meisei Kensetsu, Taisei Corporation	SXL Meisei Kensetsu, Taisei Corporation	Sendai City	HI International Consultant Co., Ltd

## 6. Seller Profile

Company Name	Max Building, Inc.
Head Office	1-8-13 Higashi Shinsaibashi, Chuo-ku Osaka-shi, Osaka
Representative	Hitoshi Adachi, President
Capital	¥30,000 thousand (as of July 1, 2008)
Principal Shareholder	Hitoshi Adachi
Principal Business	Real Estate
Relationship with the Fund and/or NREAM	None

## 7. Broker Profile

Broker	Nomura Real Estate Urban Net Co., Ltd.
Relationship with the Fund and/or NREAM	Nomura Real Estate Urban Net 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.
Commission	¥29,130 thousand (excluding consumption taxes and local consumption taxes)

## 8. Transactions with Related Parties

The Property's broker, Nomura Real Estate Urban Net Co., Ltd., is considered 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.

## 9. Forecasts

Forecasts of financial results for the 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)

## Appraisal Report Summary

Property Name	URBAN STAGE Tsutsumidori Amamiya
Appraisal Value	¥996,000,000
Appraisal Agency	Japan Real Estate Institute
Appraisal Date	June 1, 2008

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	996,000,000	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	1,000,000,000	
(1) Gross Income	89,458,000	
Potential Gross Income: (a)~(d)	95,489,000	
(a) Potential Rental Income	83,901,000	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	2,414,000	Allocation of water expenses collected from tenants.
(c) Parking Lot Income	7,770,000	Appraisal of the standard stable mid to long term collectable usage charge, based on the standard usage charge and new rent average, according to the current lease agreement.
(d) Other Income	1,404,000	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	6,031,000	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	24,400,000	
Maintenance Expenses	5,047,000	Appraised, taking into account the property's distinctness and referring to the current lease agreement based on the building management, etc.
Utility Expenses	3,631,000	Appraisal based on the standard of previous periods, taking into account the standard of similar buildings and the property's distinctness.
Repair Expenses	5,519,000	Allocation of appraised restoration expenses and repair expenses.
Property Management Fees	2,705,000	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.	1,251,000	Allocated, with reference from the current agreement conditions and similar leasing conditions in the surrounding area, the rent commission and rent revenue appraised as one month, and taking into account the tenant's annual turnover ratio and occupancy rate, etc.
Tax and Public Dues	5,863,000	Appraisal based on the tax base of year 2008.
Damage Insurance Fees	363,000	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	21,000	Allocation of light and appliance fees, etc.

	(3) Net Operating Income ((1)-(2))	65,058,000	
	(4) Management Profit from Temporary Deposits	238,000	Appraisal based on the assumption that the temporary deposit has a 2.0% investment yield.
	(5) Capital Expenditures	9,095,000	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))	56,201,000	
	(7) Capitalization Rate	5.6%	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	991,000,000	
	Discount Rate	5.4%	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	5.8%	Appraised, with reference to the investment cap rate, etc., with similar buildings, and taking into account the overall future trends of the investment cap rate, the property's risk as an investment, the general forecast of the economic growth in the future, and real estate price and rent movements, etc.
Cost Approach Value		885,000,000	
	Land Ratio	34.6%	
	Building Ratio	65.4%	

<p>Items applied to adjustments in approaches to the value and the determination of the appraisal value</p>	<p>The property is located within walking distance from the Sendai Municipal Subway Namboku Line, and the nearest station is approximately 5 minutes to Sendai Station, an easy access to the inner city. Also, the property has excellent livability with a variety of convenient facilities located in the surrounding area within walking distance. As the Property has excellent access and livability, the area is recognized as having stable demand from not only individuals, but also companies using the building as employee residence/dorms.</p> <p>The property is a rental apartment (total unit number: 65 units) for mainly families, made up of 2LDK and 3LDK layouts, and although compared to the surrounding apartments the property age is over 13 years, the building was originally designed and constructed as a condominium, and as the housing facilities are relatively high in quality, it has reasonable competitiveness.</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 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 Gakusei 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	0.9	1st FP
	PROUD FLAT Shinotsuka	Toshima-ku, Tokyo	752.09	35	695,000	0.6	3rd FP
	PROUD FLAT Kiyosumi Shirakawa	Koto-ku, Tokyo	1,209.56	55	900,000	0.7	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	1.9	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 Gakusei 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	2.9	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 Denenchofu Minami	Ota-ku, Tokyo	1,100.17	44	900,000	0.7	3rd 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	0.5	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 Kamiuma	Setagaya-ku, Tokyo	1,739.86	37	900,000	0.7	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	0.4	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 Machiva	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	0.9	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 (108 Properties)		141,115.47	5,391	97,456,000	80.2	
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	0.3	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 Nijuvo 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
	URBAN STAGE Tsutsumidori Amamiya	Sendai-shi, Miyagi	4,251.91	65	969,000	0.8	4th 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 Chihava Grand Suite	Fukuoka-shi, Fukuoka	1,740.70	48	545,000	0.4	3rd FP
	Sub Total (24 Properties)		41,604.89	1,161	13,843,600	11.4	
	Total (132 Properties)		182,720.36	6,552	111,299,600	91.6	

[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 Chitose Funabashi (tentative name)	Setagaya-ku, Tokyo	1,027.44	38	885,000	0.7	5th FP
	PRIME URBAN Shinvurigaoka (tentative name)	Kawasaki-shi, Kanagawa	1,708.19	64	1,210,000	1.0	5th FP
	Sub Total (4 Properties)		6,876.82	263	6,735,000	5.5	
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	2.8	
	Total (7 Properties)		13,498.14	510	10,183,096	8.4	

[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 (112 Properties)	147,992.29	5,654	104,191,000	85.8
Other Areas (27 Properties)	48,226.21	1,408	17,291,696	14.2
Total (139 Properties)	196,218.50	7,062	121,482,696	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

