



NOMURA
Residential Fund

For Translation Purposes Only

March 30, 2007

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 Assets

(1) Benefis Hakata Grand Suite

Type of Asset	Real estate
Property Name	Benefis Hakata Grand Suite
Acquisition Price	¥830,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	March 30, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	May 16, 2007 (date of delivery of the real estate)
Seller	Sanwa Estate K.K. (refer to “6. Seller Profile” below)
Financing	Debt financing
Form of Payment	Payment in full at the time of purchase

(2) Benefis Yakuin Minami

Type of Asset	Real estate
Property Name	Benefis Yakuin Minami
Acquisition Price	¥351,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	March 30, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	May 16, 2007 (date of delivery of the real estate)
Seller	Sanwa Estate K.K. (refer to “6. Seller Profile” below)
Financing	Debt financing
Form of Payment	Payment in full at the time of purchase

2. Reason for Acquisition

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

(1) Benefis Hakata Grand Suite

- The Property is located a walking distance between Hakata Station, on the JR Kagoshima Main Line, and the Fukuoka City Subway Kuko Line, and Nishi Tetsu Hirao Station on the Nishi Tetsu Tenjin Omuta Line, enabling the access of two main lines in the city of Fukuoka (from the Minoshima Nichome bus stop in front of the property, during commuting hours on week days, 10-16 buses per hour go towards the Hakata area and 4-5 buses per hour go towards the Hirao area).
- Of the 67 units in the Property, 45 units, which equals 70% of the total, are over 30 sq. meters and due to the planning centered on spacious living areas, the room layout is focused on livability and responds to a wide range of tenant demands.
- Regarding the facility specifications, by including a full bathroom with an LCD TV, a large size shoe storage cabinet and a security system that includes an auto-lock system with a palm-vein authentication device, display monitor, dimple key and security camera, etc., it ensures the diversification of the merchantability.
- As stated above, the Fund has realized a high occupancy rate due to the wide range of tenants occupying the residence, such as single adults who commute to business areas, mainly in the vicinity of Fukuoka Station, DINKs and young families.

(2) Benefis Yakuin Minami

- The Property is a 6 minute walk from Yakuin Station on the Nishi Tetsu Tenjin Omuta Line and the Fukuoka City Subway Nanakuma Line, and the said station is one stop, approximately 3 minutes, away from Nishi Tetsu Fukuoka (Tenjin) Station, an excellent access point to the Tenjin area, which is the business and commercial center of Fukuoka.
- In accordance with the tenant needs, which focus on the transportation convenience mentioned above, the Property has adopted a functional 25 sq. meter room layout for 30 of its 34 units.

Regarding the facility specifications, by including a full bathroom with an LCD TV, a large size shoe storage cabinet and a security system that includes an auto-lock system, display monitor, dimple key and security camera, etc., it ensures the diversification of the merchantability.

- Reddish-orange colored tiles are mainly used, and are to represent 'vividness and warmth', giving the exterior of the Property high visibility and distinctiveness.
- As stated above, the Fund has realized a high occupancy rate due to tenants, such as single adults who commute to business areas, mainly in the vicinity of Tenjin Station.

3. Property Summary

(1) Benefis Hakata Grand Suite

Property Name		Benefis Hakata Grand Suite
Type of Asset		Real Estate
Location (Note 1)	Registry	2-223 Minoshima, Hakata-ku Fukuoka-shi, Fukuoka
	Street Address	2-14-7 Minoshima, Hakata-ku Fukuoka-shi, Fukuoka

Access		18-minute walk from Hakata Station on the JR Kagoshima Main Line and the Fukuoka City Subway Kuko Line.			
Land	Ownership	Ownership			
	Area (Note 1)	449.01 sq. meters			
	Building Coverage	90%			
	Floor Area Ratio	500%			
Building	Ownership	Ownership			
	Use (Note 1)	Apartment building			
	Completion Date (Note 1)	March 15, 2007			
	Total Floor Area (Note 1)	2,620.05 sq. meters			
	Structure (Note 1)	RC, 13F			
	Leasable Units (Note 2)	67 Units (under 30 sq. meters: 22 units, 30-50 sq. meters: 45 units)			
Property Management Company		To be determined			
Master Leasing Company		To be determined			
Type of Master Lease (Note 3)		Pass-through Structure (Scheduled)			
Collateral		None			
Notes		None			
Acquisition Price		¥830,000 thousand			
Appraisal	Appraisal Method	Price survey by Daiwa Real Estate Appraisal Co., Ltd.			
	Appraisal Value	¥830,000 thousand			
	Appraisal Date	March 29, 2007			
Estimated NOI (Note 4)		¥45,415 thousand			
Leasing Status (as of March 30, 2007)					
Total Number of Tenants (Note 5)		61			
Total Rental Income		¥57,228 thousand			
Security Deposits		¥9,163 thousand			
Occupancy Rate		90.9%			
Total Leased Floor Area (Note 6)		1,977.25 sq. meters			
Total Leasable Floor Area (Note 2)		2,176.23 sq. meters			
Past Occupancy Rates	May 31, 2002	May 31, 2003	May 31, 2004	May 31, 2005	May 31, 2006
	—%	—%	—%	—%	—%

(Note 1) Location and Other Items

Location (registry) and Area are based on the information in the real estate registry. As the building's representative registration is not yet completed, Use, Completion Date, Total Floor Area and Structure are based on the information in the building permit.

(Note 2) Leasable Units and Total Leasable Floor Area

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

(Note 3) 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 4) Estimated NOI

NOI stands for Net Operating Income, and is the amount of the Property's rental income, minus the total of all leasing business expenses.

Estimated NOI is the fiscal year's estimated figure, excluding the special causes during the first year of acquisition, and is prepared under the terms mentioned below. That said, the stated amount, therefore, is not the Fund's forecast figure for the specified fiscal period.

- (i) Assuming that the occupation rate is 94% concerning the rental revenue.
- (ii) Expected to have expenditures of the estimated assessment amount for the year 2007, concerning the tax and public dues.

(Note 5) Total Number of Tenants

The total number of tenants that have actually leased and a lease agreement has been executed with the end-tenant, as of today, has been indicated, but by the time of delivery, a master lease agreement is scheduled to be executed with the master lease company, and after the agreement, the total number of tenants is scheduled to be 1.

(Note 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.

(2) Benefis Yakuin Minami

Property Name		Benefis Yakuin Minami
Type of Asset		Real Estate
Location (Note 1)	Registry	1-14-10 Shirogane, Chuo-ku Fukuoka-shi, Fukuoka
	Street Address	1-14-10 Shirogane, Chuo-ku Fukuoka-shi, Fukuoka
Access		6-minute walk from Yakuin Station on the Nishi Tetsu Tenjin Omuta Line and the Fukuoka City Subway Nanakuma Line.
Land	Ownership	Ownership
	Area (Note 1)	331.14 sq. meters
	Building Coverage	60%
	Floor Area Ratio (Note 2)	288%
Building	Ownership	Ownership
	Use (Note 1)	Apartment building
	Completion Date (Note 1)	March 12, 2007
	Total Floor Area (Note 1)	1,075.58 sq. meters
	Structure (Note 1)	RC, 13F
	Leasable Units (Note 3)	34 Units (under 30 sq. meters: 30 units, 30-50 sq. meters: 4 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		¥351,000 thousand
Appraisal	Appraisal Method	Price survey by Daiwa Real Estate Appraisal Co., Ltd.
	Appraisal Value	¥351,000 thousand
	Appraisal Date	March 29, 2007
Estimated NOI (Note 5)		¥19,660 thousand
Leasing Status (as of March 30, 2007)		
Total Number of Tenants (Note 6)	32	
Total Rental Income	¥25,044 thousand	
Security Deposits	¥3,161 thousand	
Occupancy Rate	94.5%	
Total Leased Floor Area (Note 7)	848.01 sq. meters	

Total Leasable Floor Area (Note 3)	897.84 sq. meters				
Past Occupancy Rates	May 31, 2002	May 31, 2003	May 31, 2004	May 31, 2005	May 31, 2006
	—%	—%	—%	—%	—%

(Note 1) Location and Other Items

Location (registry) 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.

(Note 2) Floor Area Ratio

The Property's Floor Area Ratio limit was originally set at 300%, but the regulation regarding frontal road width (7.20 meters × 40%) 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

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) Estimated NOI

NOI stands for Net Operating Income, and is the amount of the Property's rental income, minus the total of all leasing business expenses.

Estimated NOI is the fiscal year's estimated figure, excluding the special causes during the first year of acquisition, and is prepared under the terms mentioned below. That said, the stated amount, therefore, is not the Fund's forecast figure for the specified fiscal period.

(i) Assuming that the occupation rate is 95% concerning the rental revenue.

(ii) Expected to have expenditures of the estimated assessment amount for the year 2007, concerning the tax and public dues.

(Note 6) Total Number of Tenants

The total number of tenants that have actually leased and a lease agreement has been executed with the end-tenant, as of today, has been indicated, but by the time of delivery, a master lease agreement is scheduled to be executed with the master lease company, and after the agreement, the total number of tenants is scheduled to be 1.

(Note 7) Total Leased Floor Area

Total Leased Floor Area indicates the floor area (based on the floor area in the lease agreement. However, it is limited to the floor area of residences and retail stores, etc. (when all units are leased in bulk, the floor area of the entire premises) and it excludes the leased area of parking lots) that is actually leased and a lease agreement is executed with the end-tenant, as of today.

4. Building Condition Appraisal Report Summary

	Benefis Hakata Grand Suite	Benefis Yakuin Minami
Building Condition Appraisal Report Issuer	Takenaka Corporation	Takenaka Corporation
Building Condition Appraisal Report Issue Date	March 29, 2007	March 29, 2007
Estimated Amount of Emergency Repair Expenses (Note 1)	—	—
Estimated Amount of Short Term Repair Expenses (Note 2)	—	—
Estimated Amount of Long Term Repair Expenses (Note 3)	¥19,970 thousand	¥10,200 thousand
Earthquake Risk Analysis (PML) (Note 4)	11.1%	11.9%

(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.
- (Note 4) 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 two 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 (Note)	Evaluation Agency
Benefis Hakata Grand Suite	Otsuka Architectural Design Office	Asahi Koumuten Co., Ltd.	Japan ERI Co., Ltd.	NTT Facilities, Inc.
Benefis Yakuin Minami	Otsuka Architectural Design Office	Ogushi Construction	Japan ERI Co., Ltd.	NTT Facilities, Inc.

6. Seller Profile

Company Name	Sanwa Estate K.K.
Head Office	2-4-8 Hirao, Chuo-ku Fukuoka-shi, Fukuoka
Representative	Kazutoshi Ishii, Representative Director
Capital	¥10,000 thousand (as of March 30, 2007)
Principal Shareholder	Kazutoshi Ishii, Tetsuro Taira
Principal Business	Real estate business
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 Law Concerning Investment Trust and Investment Corporations (“Investment Trust Law”).

Commission	Benefis Hakata Grand Suite	¥24,960 thousand
	Benefis Yakuin Minami	¥10,590 thousand
	(Excludes 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 first fiscal period (August 3, 2006 to May 31, 2007) and second fiscal period (June 1, 2007 to November 30, 2007) have not been changed.

Attachments:

Reference Material 1 "Appraisal Report Summary"

Reference Material 2 "Portfolio After Acquisition of the Properties"

Reference Material 3 "Property Image"

(Reference Material 1)

Appraisal Report Summary

Property Name	Benefis Hakata Grand Suite
Appraisal Value	¥830,000,000
Appraisal Agency	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	March 29, 2007

(Thousands of Yen (excluding percentages))

Item	Content	Basis
Income Capitalization Approach Value	830,000	The Income Capitalization Approach Value has been calculated using the mutual alignment of the value of the Direct Capitalization Method and the Discount Cash Flow Method.
Value using the Direct Capitalization Method	842,000	
(1) Valid Gross Income	62,141	
Rental Income	64,205	Appraisal based on the expected new rent.
Other Income	2,450	Allocation of renewal fee income.
Potential Gross Income	66,655	
Vacancy Loss Equivalent	3,964	Appraisal based on distinctness of the said real estate.
Bad Debt Loss Equivalent	550	Rental guarantee system taken into consideration and allocated.
(2) Total Expenses	14,138	
Maintenance Expenses	7,375	Appraisal based on the estimated amount.
Tax and Public Dues	3,684	Allocation of estimate.
Damage Insurance Fees	296	Appraisal based on performance of similar buildings.
Other Expenses	2,782	Allocation of tenant recruit expenses and tenant replacement expenses, etc.
(3) Leasing Net Operating Income (NOI=(1)-(2))	48,003	
(4) Interest from Security Deposit	0	
(5) Annual Funding for Large Scale Repair Costs	1,689	Appraised, taking into account the Building Condition Appraisal Report and the standard expenditures of similar buildings.
(6) Standardized Net Cash Flow (NCF=(3)+(4)-(5))	46,314	
(7) Capitalization Rate	5.5%	Appraised, taking into account the real estate's overall regional characteristics and individuality, etc.
Value Using the Discounted Cash Flow Method	818,000	
Discount Rate	5.4%	
Final Capitalization Rate	5.7%	
Cost Approach Value	619,000	
Land Ratio	31.8%	
Building Ratio	68.2%	

Items applied to adjustments in value calculations and to the determination of the appraisal value	Hakata-ku of Fukuoka-shi, which has the Hakata Harbor, Hakata Station and Fukuoka Airport, which are all important air, land and sea transportation facilities, has been the gateway to Fukuoka-shi and the Kyushu area. The area around Hakata Station is famous for office buildings with central management functions, and is a high commercial business district that represents West Japan. Taking these factors into account, the Property is located 1.5 km from Hakata Station and is accessible both by bus and by foot, a convenient distance from the inner city, and is recognized as having residential demand from single adults and DINKs.
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Appraisal Report Summary

Property Name	Benefis Yakuin Minami
Appraisal Value	¥351,000,000
Appraisal Agency	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	March 29, 2007

(Thousands of Yen (excluding percentages))

Item	Content	Basis
Income Capitalization Approach Value	351,000	The Income Capitalization Approach Value has been calculated using the mutual alignment of the value of the Direct Capitalization Method and the Discount Cash Flow Method.
Value using the Direct Capitalization Method	357,000	
(1) Valid Gross Income	26,996	
Rental Income	27,530	Appraisal based on the expected new rent.
Other Income	1,180	Allocation of renewal fee income.
Potential Gross Income	28,710	
Vacancy Loss Equivalent	1,472	Appraisal based on distinctness of the said real estate.
Bad Debt Loss Equivalent	242	Rental guarantee system taken into consideration and allocated.
(2) Total Expenses	6,876	
Maintenance Expenses	3,743	Appraisal based on the estimated amount.
Tax and Public Dues	1,684	Allocation of estimate.
Damage Insurance Fees	135	Appraisal based on performance of similar buildings.
Other Expenses	1,313	Allocation of tenant recruit expenses and tenant replacement expenses etc.
(3) Leasing Net Operating Income (NOI=(1)-(2))	20,120	
(4) Interest from Security Deposit	0	
(5) Annual Funding for Large Scale Repair Costs	850	Appraised, taking into account the Building Condition Appraisal Report and the standard expenditures of similar buildings.
(6) Standardized Net Cash Flow (NCF=(3)+(4)-(5))	19,270	
(7) Capitalization Rate	5.4%	Appraised, taking into account the real estate's overall regional characteristics and individuality, etc.
Value Using the Discounted Cash Flow Method	345,000	
Discount Rate	5.3%	
Final Capitalization Rate	5.6%	
Cost Approach Value	295,000	
Land Ratio	34.4%	
Building Ratio	65.6%	

<p>Items applied to adjustments in approaches to the value and the determination of the appraisal value</p>	<p>The Property is a 6-minute walk from Yakuin Station, which is the nearest station, and is one stop from Nishi Tetsu Fukuoka (Tenjin) Station using the Nishi Tetsu Tenjin Omuta Line, an excellent convenience from a transportation perspective, and also there are supermarkets and restaurants, favorable for livability convenience, surrounding the station. The said area is next to Hirao, a prestigious residential area, and the water purification area, and as the quiet streets make a favorable living environment, it is recognized as having residential demand from a wide range of single type condominium tenants.</p>
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(Reference Material)

Portfolio After Acquisition of the Properties

[Acquired Properties]

Area (Note 1)	Name of Property	Location	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)	Acquired Period (Note 5)
Greater Tokyo Area	PROUD FLAT Yovogi Uehara	Shibuva-ku, Tokyo	1,151.34	44	1,100,000	1.5	1st FP
	PROUD FLAT Gakugei Daigaku	Meguro-ku, Tokyo	934.39	41	812,000	1.1	1st FP
	PROUD FLAT Kiyosumi Shirakawa	Koto-ku, Tokyo	1,209.56	55	900,000	1.2	1st FP
	PRIME URBAN Akasaka	Minato-ku, Tokyo	1,062.05	25	956,000	1.3	1st FP
	PRIME URBAN Tamachi	Minato-ku, Tokyo	1,107.36	48	941,000	1.3	1st FP
	PRIME URBAN Ebisu Minami	Shibuva-ku, Tokyo	881.89	21	947,000	1.3	1st FP
	PRIME URBAN Yovogi	Shibuva-ku, Tokyo	439.56	19	408,000	0.5	1st FP
	PRIME URBAN Bancho	Chiyoda-ku, Tokyo	1,277.04	52	1,170,000	1.6	1st FP
	PRIME URBAN Chiyoda Fujimi	Chiyoda-ku, Tokyo	793.87	32	707,000	0.9	1st FP
	PRIME URBAN Idabashi	Chiyoda-ku, Tokyo	2,087.70	90	2,030,000	2.7	1st FP
	PRIME URBAN Ebisu	Meguro-ku, Tokyo	1,444.40	29	1,200,000	1.6	1st FP
	PRIME URBAN Naka Meguro	Meguro-ku, Tokyo	1,302.42	49	1,320,000	1.8	1st FP
	PRIME URBAN Gakugei Daigaku	Meguro-ku, Tokyo	1,008.39	32	886,000	1.2	1st FP
	PRIME URBAN Senzoku	Meguro-ku, Tokyo	655.27	22	536,000	0.7	1st FP
	PRIME URBAN Nishi Shinjuku I	Shinjuku-ku, Tokyo	1,459.86	60	1,290,000	1.7	1st FP
	PRIME URBAN Nishi Shinjuku II	Shinjuku-ku, Tokyo	1,162.55	46	1,000,000	1.3	1st FP
	PRIME URBAN Shinjuku Naitocho	Shinjuku-ku, Tokyo	578.18	14	512,000	0.7	1st FP
	PRIME URBAN Sangen Java	Setagava-ku, Tokyo	874.15	33	835,000	1.1	1st FP
	PRIME URBAN Shinagawa Nishi	Shinagawa-ku, Tokyo	961.25	46	624,000	0.8	1st FP
	PRIME URBAN Osaki	Shinagawa-ku, Tokyo	2,106.16	99	1,700,000	2.3	1st FP
	PRIME URBAN Omori	Ota-ku, Tokyo	1,190.70	54	824,000	1.1	1st FP
	PRIME URBAN Kita Senzoku	Ota-ku, Tokyo	834.90	46	576,000	0.8	1st FP
	PRIME URBAN Nishi Ogikubo	Suginami-ku, Tokyo	543.09	24	435,000	0.6	1st FP
	PRIME URBAN Otsuka	Toshima-ku, Tokyo	944.99	46	794,000	1.1	1st FP
	PRIME URBAN Monzen Nakacho	Koto-ku, Tokyo	3,127.94	117	2,200,000	2.9	1st FP
	PRIME URBAN Kameido	Koto-ku, Tokyo	1,117.34	52	705,000	0.9	1st FP
	PRIME URBAN Sumiyoshi	Koto-ku, Tokyo	813.52	40	552,000	0.7	1st FP
	PRIME URBAN Kinshi Koen	Sumida-ku, Tokyo	1,886.50	77	1,180,000	1.6	1st FP
	PRIME URBAN Kinshicho	Sumida-ku, Tokyo	991.62	49	668,000	0.9	1st FP
	PRIME URBAN Hirai	Edogawa-ku, Tokyo	1,095.91	53	700,000	0.9	1st FP
	PRIME URBAN Kasai	Edogawa-ku, Tokyo	905.81	45	637,000	0.8	1st FP
	PRIME URBAN Kasai II	Edogawa-ku, Tokyo	1,437.84	68	958,000	1.3	1st FP
	PRIME URBAN Uravasu	Uravasu-shi, Chiba	1,264.84	60	840,000	1.1	1st FP
	PRIME URBAN Gvotoku I	Ichikawa-shi, Chiba	1,151.36	52	635,000	0.8	1st FP
	PRIME URBAN Gvotoku II	Ichikawa-shi, Chiba	1,244.00	58	741,000	1.0	1st FP
	PRIME URBAN Gvotoku Ekimae	Ichikawa-shi, Chiba	778.19	37	476,000	0.6	1st FP
	PRIME URBAN Nishi Funabashi	Funabashi-shi, Chiba	1,237.80	60	772,000	1.0	1st FP
	URBAN STAGE Azabu Juban	Minato-ku, Tokyo	1,222.13	40	991,000	1.3	1st FP
	URBAN STAGE Hatagava	Shibuva-ku, Tokyo	650.60	38	452,000	0.6	1st FP
	URBAN STAGE Toritsu Daigaku	Meguro-ku, Tokyo	996.81	16	524,000	0.7	1st FP
	URBAN STAGE Kachidoki	Chuo-ku, Tokyo	4,481.82	144	2,290,000	3.0	1st FP
	URBAN STAGE Naka Ochiai	Shinjuku-ku, Tokyo	1,237.98	18	655,000	0.9	1st FP
	URBAN STAGE Ochiai	Shinjuku-ku, Tokyo	517.53	32	324,000	0.4	1st FP
	URBAN STAGE Roka Koen	Setagava-ku, Tokyo	567.20	34	362,000	0.5	1st FP
	URBAN STAGE Kamiuma	Setagava-ku, Tokyo	1,739.86	37	900,000	1.2	1st FP
	URBAN STAGE Sangen Java	Setagava-ku, Tokyo	1,018.72	47	755,000	1.0	1st FP
	URBAN STAGE Chitose Karasuyama	Setagava-ku, Tokyo	1,774.01	27	730,000	1.0	1st FP
	URBAN STAGE Sangen Java II	Setagava-ku, Tokyo	810.98	17	539,000	0.7	1st FP
	URBAN STAGE Komazawa	Setagava-ku, Tokyo	572.41	26	396,000	0.5	1st FP
	URBAN STAGE Karasuyama	Setagava-ku, Tokyo	507.52	28	344,000	0.5	1st FP
	URBAN STAGE Oimachi	Shinagawa-ku, Tokyo	722.70	45	530,000	0.7	1st FP
	URBAN STAGE Oimachi II	Shinagawa-ku, Tokyo	1,719.82	92	1,100,000	1.5	1st FP
	URBAN STAGE Yukigaya	Ota-ku, Tokyo	1,536.59	94	970,000	1.3	1st FP
	URBAN STAGE Ikegami	Ota-ku, Tokyo	2,456.48	95	1,460,000	1.9	1st FP
	URBAN STAGE Nakano	Nakano-ku, Tokyo	801.30	51	472,000	0.6	1st FP
	URBAN STAGE Takaido	Suginami-ku, Tokyo	1,746.20	107	1,080,000	1.4	1st FP
	URBAN STAGE Komagome	Toshima-ku, Tokyo	990.18	19	412,000	0.5	1st FP
	URBAN STAGE Mukojima	Sumida-ku, Tokyo	1,108.91	55	487,000	0.6	1st FP
	URBAN STAGE Ekoda	Nerima-ku, Tokyo	872.49	35	385,000	0.5	1st FP
	URBAN STAGE Takinokawa	Kita-ku, Tokyo	554.39	29	287,000	0.4	1st FP
	URBAN STAGE Asakusa	Taito-ku, Tokyo	876.70	22	350,000	0.5	1st FP
	URBAN STAGE Machiya	Arakawa-ku, Tokyo	455.19	26	210,000	0.3	1st FP
	URBAN STAGE Koganei	Koganei-shi, Tokyo	682.43	27	229,000	0.3	1st FP
	URBAN STAGE Hino	Hino-shi, Tokyo	994.68	54	319,000	0.4	1st FP
	URBAN STAGE Tsurumi Terava	Yokohama-shi, Kanagawa	952.06	50	457,000	0.6	1st FP
	URBAN STAGE Tennocho	Yokohama-shi, Kanagawa	332.48	20	136,000	0.2	1st FP
	URBAN STAGE Uravasu	Uravasu-shi, Chiba	437.94	27	277,000	0.4	1st FP
	URBAN STAGE Minami Gvotoku I	Ichikawa-shi, Chiba	682.05	41	357,000	0.5	1st FP
	URBAN STAGE Minami Gvotoku II	Ichikawa-shi, Chiba	611.61	37	285,000	0.4	1st FP
	URBAN STAGE Minami Gvotoku III	Ichikawa-shi, Chiba	543.84	33	263,000	0.4	1st FP
	URBAN STAGE Minami Gvotoku IV	Ichikawa-shi, Chiba	535.08	32	256,000	0.3	1st FP
	URBAN STAGE Minami Urawa	Saitama-shi, Saitama	694.05	32	274,000	0.4	1st FP
	URBAN STAGE Yono Hommachi	Saitama-shi, Saitama	1,372.74	70	519,000	0.7	1st FP
	Cosmo Gracia Yotsuya Gaien Higashi	Shinjuku-ku, Tokyo	1,759.61	51	1,700,000	2.3	1st FP
	Sub Total (74 Properties)		82,600.83	3,443	55,644,000	74.1	

Area (Note 1)	Name of Property	Location	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)	Acquired Period (Note 5)
Other Areas	PRIME URBAN Aoi	Nagoya-shi, Aichi	1,571.04	46	724,000	1.0	1st FP
	PRIME URBAN Esaka I	Suita-shi, Osaka	1,189.12	48	672,000	0.9	1st FP
	PRIME URBAN Esaka II	Suita-shi, Osaka	1,392.00	57	790,000	1.1	1st FP
	Presence S17	Sapporo-shi, Hokkaido	1,518.58	33	377,000	0.5	1st FP
	Presence N14	Sapporo-shi, Hokkaido	1,155.60	36	336,000	0.4	1st FP
	Classe Odori Koen	Sapporo-shi, Hokkaido	1,850.20	53	530,000	0.7	1st FP
	Presence S1	Sapporo-shi, Hokkaido	1,148.72	36	322,000	0.4	1st FP
	Sub Total (7 Properties)		9,825.26	309	3,751,000	5.0	
	Total (81 Properties)		92,426.09	3,752	59,395,000	79.1	

[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 Hatsudai	Shibuya-ku, Tokyo	958.98	31	865,000	1.2	1st FP
	PROUD FLAT Meguro Gyoninzaka	Meguro-ku, Tokyo	855.26	40	882,000	1.2	1st FP
	PROUD FLAT Kagurazaka	Shinjuku-ku, Tokyo	1,793.43	70	1,540,000	2.0	1st FP
	PROUD FLAT Sangen Java	Setagaya-ku, Tokyo	1,277.82	48	1,350,000	1.8	1st FP
	PROUD FLAT Kamata	Ota-ku, Tokyo	1,541.64	67	1,140,000	1.5	1st FP
	PROUD FLAT Sumida Riverside	Chuo-ku, Tokyo	3,055.21	110	2,260,000	3.0	2nd FP
	PROUD FLAT Waseda	Shinjuku-ku, Tokyo	1,450.91	60	1,110,000	1.5	2nd FP
	PROUD FLAT Yokohama (tentative name)	Yokohama-shi, Kanagawa	3,118.12	113	2,340,000	3.1	3rd FP
	PRIME URBAN Hakusan	Bunkyo-ku, Tokyo	1,069.32	42	893,000	1.2	3rd FP
	Sub Total (9 Properties)		15,120.69	581	12,380,000	16.5	
Other Areas	PROUD FLAT Itsutsubashi	Sendai-shi, Miyagi	1,861.56	60	682,000	0.9	1st FP
	Benefis Hakata Grand Suite	Fukuoka-shi, Fukuoka	2,176.23	67	830,000	1.1	1st FP
	Benefis Yakuin Minami	Fukuoka-shi, Fukuoka	897.84	34	351,000	0.5	1st FP
	PRIME URBAN Miyanosawa (tentative name)	Sapporo-shi, Hokkaido	2,114.53	54	576,200	0.8	3rd FP
	PRIME URBAN Maruyama (tentative name)	Sapporo-shi, Hokkaido	911.07	27	283,200	0.4	3rd FP
	PRIME URBAN Kanayama (tentative name)	Nagoya-shi, Aichi	1,391.02	58	632,000	0.8	3rd FP
	Sub Total (6 Properties)		9,352.25	300	3,354,400	4.5	
	Total (15 Properties)		24,472.94	881	15,734,400	20.9	

[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 (83 Properties)	97,721.52	4,024	68,024,000	90.5
Other Areas (13 Properties)	19,177.51	609	7,105,400	9.5
Total (96 Properties)	116,899.03	4,633	75,129,400	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 to May 31, 2007

Second Fiscal Period: June 1, 2007 to November 30, 2007

Third Fiscal Period: December 1, 2007 to May 31, 2008

(Reference Material 3)

Property Image

1. Benefis Hakata Grand Suite



Property Image

2. Benefis Yakuin Minami

