



NOMURA
Residential Fund

For Translation Purposes Only

October 26, 2011

For Immediate Release

Nomura Real Estate Residential Fund, Inc.
Yoshinori Hirohata, Executive Director
(Securities Code: 3240)

Asset Management Company:
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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 (Note) | URBAN STAGE Tamatsukuri |
| Acquisition Price | ¥906,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes) |
| Date of Agreement | October 26, 2011 (date of agreement on purchase and sale of the real estate) |
| Scheduled Date of Acquisition | November 8, 2011 (date of delivery of the real estate) |
| Seller | Mirage Palace Co., Ltd. (Refer to “6. Seller Profile”) |
| Financing | Fund in hand |
| Form of Payment | Payment in full at the time of purchase |

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

2. Reasons for Acquisition

Nomura Residential Fund will acquire 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 is located within walking distance from Tamatsukuri Station on the Osaka Municipal Subway Nagahori Tsurumi-ryokuchi Line (1 minute) and JR Osaka Kanjo Line (6 minutes), and access to commercial and business areas such as Umeda, Shinsaibashi, and Tennoji is convenient.
- The Tamatsuki area not only has commercial facilities, such as a variety of supermarkets and drugstores, and medical facilities, such as the Osaka Red Cross Hospital, but also has a number of lush green parks, including the Osaka Castle Park, providing a good living environment.
- The property consists of 1R and 1K layouts, and with a distinct building entrance design and all units equipped with a bathroom dryer, it is expected to appeal to a wide-range of tenants.
- As stated above, the Fund expects steady demand from single adults who commute into central Osaka.

3. Property Summary

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|-----------------------------|------------------------------|--|
| Property Name | | URBAN STAGE Tamatsukuri |
| Type of Asset | | Real Estate |
| Location (Note 1) | Registry | 2-16-16 Tamatsukuri Chuo-ku, Osaka-shi, Osaka |
| | Street Address | 2-16-11 Tamatsukuri Chuo-ku, Osaka-shi, Osaka |
| Access | | 1-minute walk from Tamatsukuri Station on the Osaka Municipal Subway Nagahori Tsurumi-ryokuchi Line. 6-minute walk from Tamatsukuri Station on the JR Osaka Kanjo Line. |
| Land | Ownership | Ownership |
| | Area (Note 1) | 436.60 sq. meters |
| | Building Coverage | 80% |
| | Floor Area Ratio | 300%, 600% (Note 2) |
| Building | Ownership | Ownership |
| | Use (Note 1) | Apartment building |
| | Completion Date (Note 1) | February 20, 2009 |
| | Total Floor Area (Note 1) | 2,618.13 sq. meters |
| | Structure (Note 1) | RC, 14F |
| | Leasable Units (Note 3) | 80 units (Under 30 sq. meters: 57 units, 30-50 sq. meters: 23 units) |
| Property Management Company | | Haseko Livenet, Inc. (Note 4) |
| Master Leasing Company | | Haseko Livenet, Inc. (Note 5) |
| Type of Master Lease | | Pass-through Structure (Note 6) |
| Collateral | | None |
| Notes | | None |
| Acquisition Price | | ¥906,000 thousand |

| | | | | | |
|---|---------------------|--------------------------------------|-----------------|-----------------|-----------------|
| Appraisal | Appraisal Method | Appraisal by Japan Valuers Co., Ltd. | | | |
| | Appraisal Value | ¥973,000 thousand | | | |
| | Appraisal Date | October 1, 2011 | | | |
| Estimated NOI (Note 7) | | ¥58,315 thousand | | | |
| Leasing Status (as of October 26, 2011) | | | | | |
| Total Number of Tenants | 1 | | | | |
| Total Rental Income (Note 8) | ¥71,514 thousand | | | | |
| Security Deposits | ¥618 thousand | | | | |
| Occupancy Rate | 100.0% | | | | |
| Total Leased Floor Area (Note 9) | 2,373.10 sq. meters | | | | |
| Total Leasable Floor Area (Note 3) | 2,373.10 sq. meters | | | | |
| Past Occupancy Rates | May 31, 2007 | May 31, 2008 | May 31, 2009 | May 31, 2010 | May 31, 2011 |
| | —% | —% | —% | 97.5% | 98.6% |

(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 land is a Category 2 residential district of 300% and a Commercial district of 600%, and the weighted average figures are applied according to the area ratio.

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

(Note 5) Master Lease Company
The master leasing company scheduled to enter into a master lease agreement after the completion of the acquisition is stated.

(Note 6) 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 7) 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 annual 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 96.0% concerning the rental revenue.

(ii) Expected to have expenditures of the estimated assessment amount for the year 2011, concerning the tax and public dues.

(Note 8) Total Rental Income
Total Rental Income indicates the total monthly rent (Total of the rent and common area expense of the resident etc. However, when parking lot fees are included in the rent under the lease agreement, this includes the parking lot fees. Also, when the master lease company is applying the rent guaranteed master lease on all or any of the units, the said units are based on the rent, etc., stated on the lease agreement with the master lease company.) that is stated on the lease agreement and is actually executed with the end-tenant, multiplied by twelve (amounts under a thousand yen are rounded down.), regarding the property as of the end of today. Also, regarding the tenants who receive a certain period of free rent due to the agreement, the stated period is not included.

- (Note 9) 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 10) Past Occupancy Rates
Regarding the occupancy rates before May 2009, the figures are not stated, as the information has not been received from the owner.

4. Overview of Building Condition Appraisal Report Summary, etc.

(1) Building Condition Appraisal Report Summary

| | |
|---|-------------------------------------|
| | URBAN STAGE Tamatsukuri |
| Building Condition Appraisal Report Issuer | Tokyo Bldg-Tech Center Co., Ltd. |
| Building Condition Appraisal Report Issue Date | October 19, 2011 |
| 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) | ¥18,020 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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|--|-------------------------------|
| | URBAN STAGE Tamatsukuri |
| Earthquake PML Appraisal Report Issuer | NKSJ Risk Management, Inc. |
| Earthquake PML Appraisal Report Issue Date | October 2011 |
| Earthquake Risk Analysis (PML) (Note) | 9.57% |

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

| Property Name | Architect | Contractor | Building Permit Agency | Evaluation Agency |
|----------------------------|--------------------------------|-----------------------------------|---|-------------------------|
| URBAN STAGE Tamatsukuri | K.K. Hannnan Sekkei Jimusho | Kanayama General Contractor | Center of International Architectural Standard | NTT Facilities, Inc. |

6. Seller Profile

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|---|--|
| Company Name | Mirage Palace Co., Ltd. |
| Head Office | 5-11-9 Karita Sumiyoshi-ku, Osaka-shi, Osaka |
| Representative | President, Shinto Ishimura |
| Principal Business | Real Estate |
| Capital | ¥30,000 thousand |
| Established | August 13, 2001 |
| Relationship with the Fund and/or NREAM | |
| Capital | There is no capital involvement between the said company and the Fund or asset management company. There is also no capital involvement between related parties of the said company and related parties of the Fund or asset management company. |
| Personnel | There is no personnel involvement between the said company and the Fund or asset management company. There is also no personnel involvement between related parties of the said company and related parties of the Fund or asset management company. |
| Transactions | There is no transaction between the said company and the Fund or asset management company. There is also no transaction between related parties of the said company and related parties of the Fund or asset management company. |
| Status of Related Parties | The said company is not considered a directly associating party of the Fund. Also, the said company is not considered a Related Party, etc., of the asset management company under the Investment Trust Law. |

7. Broker Profile

| | |
|----------------|---|
| Company Name | Nomura Real Estate Urban Net Co., Ltd. |
| Head Office | 1-26-2 Nishi Shinjuku, Shinjuku-ku, Tokyo |
| Representative | Representative Director, Nagayoshi Kanehata |

| | |
|---|---|
| Principal Business | Real Estate |
| Capital | ¥1,000,000 thousand |
| Established | November 6, 2000 |
| Relationship with the Fund and/or NREAM | |
| Capital | 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. |
| Personnel | There is no personnel involvement between the said company and the Fund or asset management company. There is also no personnel involvement between related parties of the said company and related parties of the Fund or asset management company. Yoshinori Hirohata, the Executive Director of the Fund, is also the Full-time Statutory Auditor of the said company. |
| Transactions | There is no transaction between the said company and the Fund or asset management company. There is also no transaction between related parties of the said company and related parties of the Fund or asset management company. |
| Status of Related Parties | The said company is not considered a directly associating party of the Fund. Also, the said company is not considered a Related Party, etc., of the asset management company under the Investment Trust Law. |
| Commission | ¥27,240 (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 have deliberated and given its approval on the acquisition brokerage service, commission and other conditions of the Property according to the Residence Management Division Investment Committee Policy, the Compliance Policy, the Compliance Manual, etc.

9. Forecast

Changes in the operating status for the tenth fiscal period (June 1, 2011 to November 30, 2011) after the acquisition of the property are slight, and no changes have been made in the forecasts.

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

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|------------------|-------------------------|
| Property Name | URBAN STAGE Tamatsukuri |
| Appraisal Value | ¥973,000,000 |
| Appraisal Agency | Japan Valuers Co., Ltd. |
| Appraisal Date | October 1, 2011 |

(Yen)

| Item | Content | Basis |
|---|---------------|--|
| Income Capitalization Approach Value | 973,000,000 | 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 | 1,020,000,000 | 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)) | 74,794,930 | |
| (a) Potential Rental Income | 78,005,518 | Appraisal based on the current and standard market rent. |
| (b) Vacancy Loss, etc. | 3,210,588 | Appraisal based on the current and market vacancy ratio. |
| (2) Operating Expenses | 15,500,357 | |
| Maintenance Expenses | 2,304,000 | Appraisal based on the estimated amount and standard level. |
| Utility Expenses | 1,029,232 | Appraisal based on actual value and standard level. |
| Repair Expenses | 450,500 | Appraisal based on the Building Condition Appraisal Report by Tokyo Bldg-Tech Center Co., Ltd. |
| Unit Restoration Expenses | 1,029,232 | Appraisal based on the standard level. |
| Property Management Fees | 1,782,911 | Appraisal based on the standard level. |
| Tenant Recruit Expenses, etc. | 3,478,487 | Appraisal based on the actual value and standard level. |
| Security Camera Leasing and Local Organization Fees | 412,000 | Appraisal based on actual value. |
| Other Expenses | 343,078 | Appraisal based on the actual value and standard level. |
| Tax and Public Dues | 4,531,817 | Appraisal based on the actual amount of the year 2011. |
| Insurance Fees | 139,100 | Appraisal based on the estimated amount and standard level. |
| (3) Net Operating Income (NOI=(1)-(2)) | 59,294,573 | |
| (4) Temporary Deposit Management Profits, etc. | 44,170 | Considering the ordinary deposit interest, etc. |
| (5) Capital Expenditures | 1,051,167 | Appraisal based on the Building Condition Appraisal Report by Tokyo Bldg-Tech Center Co., Ltd. |
| (6) Standardized Net Cash Flow (NCF=(3)-(4)) | 58,287,576 | |
| (7) Capitalization Rate | 5.7% | 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 | 973,000,000 | |
| Discount Rate | 5.7% | |
| Final Capitalization Rate | 6.0% | |
| Cost Approach Value | 816,000,000 | |
| Land Ratio | 35.0% | |
| Building Ratio | 65.0% | |

| | |
|--|--|
| Items applied to adjustments in approaches to the value and the determination of the appraisal value | <p>The property is located in a highly convenient area, as it has easy access to central Osaka and is located close to Tamatsukuri Station on the Osaka Municipal Subway Nagahori Tsurumi-ryokuchi Line.</p> <p>The building is fairly new and as it provides quality specifications which appeal to single adults, it is a rental apartment that can expect high profitability in the future.</p> <p>The appraisal value was determined in light of the above factors, focusing on the income capitalization approach value, which properly reflect the investment value.</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 Shirokane Takenawa | Minato-ku, Tokyo | 2,950.11 | 106 | 3,510,000 | 2.6 | 4th FP |
| | PROUD FLAT Yovogi Uehara | Shibuya-ku, Tokyo | 1,151.34 | 44 | 1,100,000 | 0.8 | 1st FP |
| | PROUD FLAT Hatsudai | Shibuya-ku, Tokyo | 958.98 | 31 | 865,000 | 0.6 | 1st FP |
| | PROUD FLAT Shibuya Sakuragaoka | Shibuya-ku, Tokyo | 638.70 | 30 | 800,000 | 0.6 | 3rd FP |
| | PROUD FLAT Gakugei Daigaku | Meguro-ku, Tokyo | 934.39 | 41 | 812,000 | 0.6 | 1st FP |
| | PROUD FLAT Meguro Gvoinzaka | 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 | 1.7 | 2nd FP |
| | PROUD FLAT Kagurazaka | Shinjuku-ku, Tokyo | 1,793.43 | 70 | 1,540,000 | 1.1 | 1st FP |
| | PROUD FLAT Waseda | Shinjuku-ku, Tokyo | 1,450.91 | 60 | 1,110,000 | 0.8 | 2nd FP |
| | PROUD FLAT Shinjuku Kawadacho | Shinjuku-ku, Tokyo | 1,102.20 | 41 | 1,010,000 | 0.7 | 3rd FP |
| | PROUD FLAT Sangen Java | Setagaya-ku, Tokyo | 1,277.82 | 48 | 1,350,000 | 1.0 | 1st FP |
| | PROUD FLAT Kamata | Ota-ku, Tokyo | 1,541.64 | 67 | 1,140,000 | 0.8 | 1st FP |
| | PROUD FLAT Kamata II | Ota-ku, Tokyo | 4,051.72 | 169 | 2,980,000 | 2.2 | 7th FP |
| | PROUD FLAT Shinotsuka | Toshima-ku, Tokyo | 752.09 | 35 | 695,000 | 0.5 | 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 Monzen Nakacho I | Koto-ku, Tokyo | 1,191.08 | 55 | 1,130,000 | 0.8 | 4th FP |
| | PROUD FLAT Asakusa Komagata | Taito-ku, Tokyo | 2,685.39 | 79 | 1,960,000 | 1.5 | 7th FP |
| | PROUD FLAT Yokohama | Yokohama-shi, Kanagawa | 3,118.12 | 113 | 2,340,000 | 1.7 | 3rd FP |
| | PROUD FLAT Kamiooka | Yokohama-shi, Kanagawa | 4,872.17 | 200 | 2,770,000 | 2.1 | 3rd FP |
| | PRIME URBAN Akasaka | Minato-ku, Tokyo | 1,062.05 | 25 | 956,000 | 0.7 | 1st FP |
| | PRIME URBAN Tamachi | Minato-ku, Tokyo | 1,107.36 | 48 | 941,000 | 0.7 | 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 | 0.9 | 1st FP |
| | PRIME URBAN Chivoda Fuijimi | Chiyoda-ku, Tokyo | 793.87 | 32 | 707,000 | 0.5 | 1st FP |
| | PRIME URBAN Iidabashi | Chiyoda-ku, Tokyo | 2,087.70 | 90 | 2,030,000 | 1.5 | 1st FP |
| | PRIME URBAN Ebisu | Meguro-ku, Tokyo | 1,444.40 | 29 | 1,200,000 | 0.9 | 1st FP |
| | PRIME URBAN Naka Meguro | Meguro-ku, Tokyo | 1,302.42 | 49 | 1,320,000 | 1.0 | 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 | 0.3 | 2nd FP |
| | PRIME URBAN Meguro Ohashi Hills | Meguro-ku, Tokyo | 2,955.74 | 99 | 3,580,000 | 2.7 | 3rd FP |
| | PRIME URBAN Hakusan | Bunkyo-ku, Tokyo | 1,069.82 | 42 | 893,000 | 0.7 | 3rd FP |
| | PRIME URBAN Yotsuya Gaien Higashi | Shinjuku-ku, Tokyo | 1,759.11 | 51 | 1,700,000 | 1.3 | 1st FP |
| | PRIME URBAN Nishi Shinjuku I | Shinjuku-ku, Tokyo | 1,459.86 | 60 | 1,290,000 | 1.0 | 1st FP |
| | PRIME URBAN Nishi Shinjuku II | Shinjuku-ku, Tokyo | 1,162.55 | 46 | 1,000,000 | 0.7 | 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 | 0.6 | 1st FP |
| | PRIME URBAN Minami Karasuyama | Setagaya-ku, Tokyo | 1,049.73 | 41 | 840,000 | 0.6 | 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 Chitose Funabashi | Setagaya-ku, Tokyo | 1,027.44 | 38 | 885,000 | 0.7 | 5th 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 | 1.3 | 1st FP |
| | PRIME URBAN Omori | Ota-ku, Tokyo | 1,190.70 | 54 | 824,000 | 0.6 | 1st FP |
| | PRIME URBAN Kita Senzoku | Ota-ku, Tokyo | 834.90 | 46 | 576,000 | 0.4 | 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 Oetokubo | Suginami-ku, Tokyo | 543.09 | 24 | 435,000 | 0.3 | 1st FP |
| | PRIME URBAN Otsuka | Toshima-ku, Tokyo | 944.99 | 46 | 794,000 | 0.6 | 1st FP |
| | PRIME URBAN Monzen Nakacho | Koto-ku, Tokyo | 3,207.92 | 118 | 2,200,000 | 1.6 | 1st FP |
| | PRIME URBAN Kameido | Koto-ku, Tokyo | 1,117.34 | 52 | 705,000 | 0.5 | 1st FP |
| | PRIME URBAN Sumiyoshi | Koto-ku, Tokyo | 813.52 | 40 | 552,000 | 0.4 | 1st FP |
| | PRIME URBAN Kinshi Koen | Sumida-ku, Tokyo | 1,886.50 | 77 | 1,180,000 | 0.9 | 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 | 0.5 | 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 | 0.7 | 1st FP |
| | PRIME URBAN Shin'yurigaoka | Kawasaki-shi, Kanagawa | 1,708.19 | 64 | 1,210,000 | 0.9 | 5th FP |
| | PRIME URBAN Uravasu | Uravasu-shi, Chiba | 1,264.84 | 60 | 840,000 | 0.6 | 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 | 0.5 | 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 | 1.6 | 3rd FP |
| | URBAN STAGE Azabu Juban | Minato-ku, Tokyo | 1,222.13 | 40 | 991,000 | 0.7 | 1st FP |
| | URBAN STAGE Shibaura LOFT | Minato-ku, Tokyo | 1,905.39 | 68 | 1,510,000 | 1.1 | 7th FP |
| | URBAN STAGE Hatagaya | Shibuya-ku, Tokyo | 650.60 | 38 | 452,000 | 0.3 | 1st FP |
| | URBAN STAGE Toritsu Daigaku | Meguro-ku, Tokyo | 996.81 | 16 | 524,000 | 0.4 | 1st FP |
| | URBAN STAGE Kachidoki | Chuo-ku, Tokyo | 4,524.00 | 145 | 2,290,000 | 1.7 | 1st FP |
| | URBAN STAGE Shinkawa | Chuo-ku, Tokyo | 3,600.61 | 46 | 2,250,000 | 1.7 | 3rd FP |
| URBAN STAGE Nihonbashi Yokovamacho | Chuo-ku, Tokyo | 5,926.17 | 124 | 3,530,000 | 2.6 | 7th 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 | 0.2 | 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 | 0.7 | 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 | 0.5 | 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 | 0.5 | 3rd FP | |
| URBAN STAGE Yoga | Setagaya-ku, Tokyo | 1,773.05 | 54 | 1,150,000 | 0.9 | 8th FP | |
| URBAN STAGE Oimachi | Shinagawa-ku, Tokyo | 722.70 | 45 | 530,000 | 0.4 | 1st FP | |
| URBAN STAGE Oimachi II | Shinagawa-ku, Tokyo | 1,782.26 | 93 | 1,100,000 | 0.8 | 1st FP | |
| URBAN STAGE Yukigaya | Ota-ku, Tokyo | 1,536.59 | 94 | 970,000 | 0.7 | 1st FP | |
| URBAN STAGE Ikegami | Ota-ku, Tokyo | 2,456.48 | 95 | 1,460,000 | 1.1 | 1st FP | |
| URBAN STAGE Nakano | Nakano-ku, Tokyo | 801.30 | 51 | 472,000 | 0.3 | 1st FP | |
| URBAN STAGE Takaido | Suginami-ku, Tokyo | 1,746.20 | 107 | 1,080,000 | 0.8 | 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 | |

| 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 Kasai East | Edogawa-ku, Tokyo | 2,324.99 | 78 | 940,000 | 0.7 | 9th 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 Itabashi Kujukushomae | Itabashi-ku, Tokyo | 1,742.64 | 68 | 940,000 | 0.7 | 8th 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 Musashi Koganei | Koganei-shi, Tokyo | 5,999.80 | 98 | 2,390,000 | 1.8 | 3rd FP |
| | URBAN STAGE Musashino Hills | Koganei-shi, Tokyo | 2,961.06 | 80 | 1,590,000 | 1.2 | 3rd FP |
| | URBAN STAGE Hino | Hino-shi, Tokyo | 294.68 | 54 | 319,000 | 0.2 | 1st FP |
| | URBAN STAGE Musashi Kosugi comodo | Kawasaki-shi, Kanagawa | 3,690.37 | 56 | 2,150,000 | 1.6 | 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 | 0.3 | 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 | 542.69 | 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 | 0.4 | 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 | 0.7 | 3rd FP |
| | URBAN STAGE Minami Urawa | Saitama-shi, Saitama | 694.05 | 32 | 274,000 | 0.2 | 1st FP |
| | Sub Total (116 Properties) | | 165,988.54 | 6,188 | 115,599,000 | 85.6 | |
| Other Areas | PROUD FLAT Itsutsubashi | Sendai-shi, Miyagi | 1,861.56 | 60 | 682,000 | 0.5 | 1st FP |
| | PROUD FLAT Kawaramachi | Sendai-shi, Miyagi | 1,967.54 | 64 | 724,000 | 0.5 | 5th 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 | 0.2 | 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 | 0.2 | 1st FP |
| | PRIME URBAN Kita Juichi Jo | Sapporo-shi, Hokkaido | 1,851.39 | 60 | 600,000 | 0.4 | 3rd FP |
| | PRIME URBAN Mivanosawa | Sapporo-shi, Hokkaido | 2,114.53 | 54 | 576,200 | 0.4 | 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 | 0.5 | 3rd FP |
| | PRIME URBAN Nagamachi Icchome | Sendai-shi, Miyagi | 3,411.24 | 60 | 1,110,000 | 0.8 | 3rd FP |
| | PRIME URBAN Yaotome Chuo | Sendai-shi, Miyagi | 1,380.21 | 43 | 428,000 | 0.3 | 3rd FP |
| | PRIME URBAN Aoi | Nagoya-shi, Aichi | 1,571.04 | 46 | 724,000 | 0.5 | 1st FP |
| | PRIME URBAN Kanavama | Nagoya-shi, Aichi | 1,391.02 | 58 | 632,000 | 0.5 | 3rd FP |
| | PRIME URBAN Tsurumai | Nagoya-shi, Aichi | 2,502.11 | 104 | 1,189,096 | 0.9 | 5th FP |
| | PRIME URBAN Esaka I | Suita-shi, Osaka | 1,189.12 | 48 | 672,000 | 0.5 | 1st FP |
| | PRIME URBAN Esaka II | Suita-shi, Osaka | 1,392.00 | 57 | 790,000 | 0.6 | 1st FP |
| | PRIME URBAN Esaka III | Suita-shi, Osaka | 2,151.67 | 79 | 1,535,000 | 1.1 | 5th FP |
| | URBAN STAGE Tsutsumidori Amamiya | Sendai-shi, Miyagi | 4,251.91 | 65 | 969,000 | 0.7 | 4th FP |
| | URBAN STAGE Kamimaezu | Nagoya-shi, Aichi | 3,541.43 | 101 | 1,250,000 | 0.9 | 10th FP |
| | Benefis Hakata Grand Suite | Fukuoka-shi, Fukuoka | 2,176.23 | 67 | 830,000 | 0.6 | 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 | 0.5 | 3rd FP |
| | Benefis Chihaya Grand Suite | Fukuoka-shi, Fukuoka | 1,740.70 | 48 | 545,000 | 0.4 | 3rd FP |
| | Sub Total (28 Properties) | | 51,767.64 | 1,509 | 18,541,696 | 13.7 | |
| | Total (144 Properties) | | 217,756.18 | 7,697 | 134,140,696 | 99.3 | |

[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) |
|---------------|--------------------------|------------------|------------------------------------|------------------------|---|-------------------------------|---------------------------|
| Other Areas | URBAN STAGE Tamatsukuri | Osaka-shi, Osaka | 2,373.10 | 80 | 906,000 | 0.7 | 10th FP |
| | Sub Total (1 Properties) | | 2,373.10 | 80 | 906,000 | 0.7 | |
| | Total (1 Properties) | | 2,373.10 | 80 | 906,000 | 0.7 | |

[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 (116 Properties) | 165,988.54 | 6,188 | 115,599,000 | 85.6 |
| Other Areas (29 Properties) | 54,140.74 | 1,589 | 19,447,696 | 14.4 |
| Total (145 Properties) | 220,129.28 | 7,777 | 135,046,696 | 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

Sixth Fiscal Period: June 1, 2009 - November 30, 2009
Seventh Fiscal Period: December 1, 2009 - May 31, 2010
Eighth Fiscal Period: June 1, 2010 - November 30, 2010
Ninth Fiscal Period: December 1, 2010 - May 31, 2011
Tenth Fiscal Period: June 1, 2011 - November 30, 2011

(Reference Material 3)

Property Image

