



NOMURA
Residential Fund

For Translation Purposes Only

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For Immediate Release

Nomura Real Estate Residential Fund, Inc.
Nobuyuki Hamada, Representative and Executive Director
(Securities Code: 3240)

Asset Management Company:
Nomura Real Estate Asset Management Co., Ltd.
Tatsuo Inoue, President and Chief Executive Officer
Inquiries: Masatomi Natsume, Director
Residential Management Division
TEL: +81-3-3365-7729

Notice Concerning Property Acquisition

Nomura Real Estate Residential Fund, Inc. (“Nomura Residential Fund” or the “Fund”) announced today that it has determined to acquire real estate, as briefly explained below.

1. Summary of the Asset

Type of Asset (Note 1)	Beneficial Interest in Real Estate Trust
Property Name (Note 2)	URBAN STAGE Itabashi Kuyakushomae
Acquisition Price	¥940,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	July 8, 2010 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	July 8, 2010 (date of delivery of the real estate)
Seller	Venezia G.K. (refer to “6. Seller Profile” below)
Financing	Private fund and debt financing
Form of Payment	Payment in full at the time of purchase

(Note 1) Scheduled to acquire the beneficial interest in real estate trust from the seller, and release the beneficial interest agreement on the day of acquisition.

(Note 2) Although the current property name is “Asyl Court Itabashi Kuyakushomae”, 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 accessible to two stations, Itabashi Honcho Station (7-minute walk) and Itabashi Kuyakushomae Station (9-minute walk) on the Toei Subway Mita Line, and from there it only takes approximately 20 minutes to the business areas such as Otemachi Station, Hibiya Station, etc. Also, access to business/commercial areas such as Shinjuku Station, Shibuya Station, etc., can be made by transferring on to the Yamanote Line at Sugamo Station, a station on the Toei Subway Mita Line.
- The property has convenient access to both of the commercial streets near the Itabashi Honcho Station and Itabashi Kuyakushomae Station. Also, there are not only convenient supermarkets and drugstores, but many cafes/restaurants and convenience stores within walking distance.
- The property consists of 1Ks and 1LDKs, which come in 13 different room layouts, and is able to meet various residential planning needs.
- Teikyo University, Teikyo University School of Medicine Hospital, etc., are located in the surrounding area of this property, and the Fund expects steady demand from not only single adults who commute to the inner city, but also university faculty (staff, students, ect.) and hospital employees.

3. Property Summary

Property Name		URBAN STAGE Itabashi Kuyakushomae
Type of Asset (Note 1)		Beneficial Interest in Real Estate Trust
Trustee of Beneficial Trust (Note 1)		Mizuho Trust & Banking Co., Ltd.
Beneficial Trust Contract Period (Note 1)		January 31, 2007 – January 30, 2012
Location (Note 2)	Registry	27-4 Honcho, Itabashi-ku, Tokyo
	Street Address	27-13 Honcho, Itabashi-ku, Tokyo
Access		7-minute walk from Itabashi Honcho Station on the Toei Subway Mita Line. 9-minute walk from Itabashi Kuyakushomae Station on the Toei Subway Mita Line.
Land	Ownership	Ownership
	Area (Note 2)	475.41 sq. meters
	Building Coverage	80%, 60% (Note 3)
	Floor Area Ratio	400%, 300% (Note 4)
Building	Ownership	Ownership
	Use (Note 2)	Apartment building
	Completion Date (Note 2)	November 21, 2006
	Total Floor Area (Note 2)	2,179.85 sq. meters
	Structure (Note 2)	RC, 12F
	Leasable Units (Note 5)	68 units (under 30 sq. meters: 55 units, 30-50 sq. meters: 13 units)
Property Management Company		Haseko Livenet Inc. (Note 6)
Master Leasing Company		Haseko Livenet Inc. (Note 7)
Type of Master Lease		Pass-through Structure (Note 8)
Collateral		None
Notes		None

Acquisition Price		¥940,000 thousand				
Appraisal	Appraisal Method	Appraisal by Hiro & Reas Network, Inc.				
	Appraisal Value	¥1,010,000 thousand				
	Appraisal Date	June 1, 2010				
Estimated NOI (Note 9)		¥63,223 thousand				
Leasing Status (as of July 7, 2010)						
Total Number of Tenants		1				
Total Rental Income (Note 10)		¥72,920 thousand				
Security Deposits		¥10,456 thousand				
Occupancy Rate		89.0%				
Total Leased Floor Area (Note 11)		1,550.65 sq. meters				
Total Leasable Floor Area (Note 5)		1,742.64 sq. meters				
Past Occupancy Rates (Note 12)		May 31, 2006	May 31, 2007	May 31, 2008	May 31, 2009	May 31, 2010
		—%	—%	—%	—%	86.4%

(Note 1) Type of Asset
The Fund is scheduled to acquire the beneficial interest in real estate trust from the seller, and then release the beneficial interest agreement on the day of acquisition.

(Note 2) 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 3) Building Coverage
Of the property lot, the area from the west street boundary to within 20 meters is a Commercial district of 80% and the area over 20 meters is a Quasi-industrial district of 60%, and the weighted average figures are applied according to the area ratio.

(Note 4) Floor Area Ratio
The property's land is a Commercial district of 400% and a Quasi-industrial district of 300%, and the weighted average figures are applied according to the area ratio.

(Note 5) 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 6) Property Management Company
The scheduled property management company after the acquisition is stated.

(Note 7) Master Lease Company
The master leasing company scheduled to enter into a master lease agreement after the completion of the acquisition is stated.

(Note 8) 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 9) 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 95.4% concerning the rental revenue.
(ii) Expected to have expenditures of the estimated assessment amount for the year 2012, concerning the tax and public dues.

- (Note 10) 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 11) 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 12) 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 Itabashi Kuyakushomae
Building Condition Appraisal Report Issuer	Tokyo Bldg-Tech Center Co., Ltd.
Building Condition Appraisal Report Issue Date	June 21, 2010
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)	¥19,120 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

	URBAN STAGE Itabashi Kuyakushomae
Earthquake PML Appraisal Report Issuer	Sompo Japan Risk Management, Inc.
Earthquake PML Appraisal Report Issue Date	June 2010
Earthquake Risk Analysis (PML) (Note)	6.80%

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

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

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

The Fund has received appraisal results for the 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 Itabashi Kuyakushomae	Urbanet Corporation Co., Ltd.	Goda Koumuten Co., Ltd.	Building Navigation	AXIS SATOW Inc.

6. Seller Profile

Company Name	Venezia G.K.
Head Office	1-1-7 Uchisaiwaicho, Chiyoda-ku, Tokyo
Representative	Representative, Venezia Japan LLC Work Administrator, Yoshikazu Hori
Principal Business	Real Estate
Capital	¥500 thousand
Established	November 15, 2006
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	Savills Japan Co., Ltd.
Head Office	3-16-33 Roppongi, Minato-ku, Tokyo
Representative	Representative Director & CEO, Christian F. Mancini

Principal Business	Real estate transaction, Financial instrument transaction
Capital	¥300,400 thousand
Established	August 23, 2004
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.
Commission	Due to the confidentiality obligation appointed in the brokerage contract, this information is not disclosed.

Company Name	CBRE Japan K.K.
Head Office	2-2-12 Hamamatsucho, Minato-ku, Tokyo
Representative	Representative Director, Robert Stuart Blain Representative Director, Benjamin Mark Duncan Representative Director, Tony Insung Cha
Principal Business	Real estate transaction, Financial instrument transaction
Capital	¥67,500 thousand
Established	December 15, 2000
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.
Commission	Due to the confidentiality obligation appointed in the brokerage contract, this information is not disclosed.

8. Forecasts

Financial results after the acquisition of the property for the seventh fiscal period (June 1, 2010 to November 30, 2010), with consideration to the operating status of the entire portfolio, will be announced separately in the Brief Report of Financial Results, scheduled to be released in July 2010.

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 Itabashi Kuyakushomae
Appraisal Value	¥1,010,000,000
Appraisal Agency	HIRO & REAS Network, Inc.
Appraisal Date	June 1, 2010

(Yen)		
Item	Content	Basis
Income Capitalization Approach Value	1,010,000,000	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	1,070,000,000	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))	74,618,243	
(a) Potential Rental Income	78,351,321	Appraisal based on the current and standard market rent.
(b) Vacancy Loss, etc.	3,733,078	Appraisal based on the current and market vacancy ratio.
(2) Operating Expenses	15,673,731	
Maintenance Expenses	2,400,000	Appraisal based on the estimated amount and standard level.
Utility Expenses	1,329,518	Appraisal based on actual value.
Repair Expenses	478,000	Appraisal based on the Building Condition Appraisal Report by Tokyo Bldg-Tech Center Co., Ltd.
Unit Restoration Expenses	361,654	Appraisal based on the standard level.
Property Management Fees	1,473,385	Appraisal based on agreement details and standard level.
Tenant Recruit Expenses, etc.	3,232,623	Appraisal based on similar examples and precedent examples.
CATV Fees	1,886,400	Appraisal based on actual value.
Other Expenses	218,185	Appraisal based on actual value.
Tax and Public Dues	4,159,276	Actual amount of the year 2010.
Insurance Fees	134,690	Appraisal based on the standard level.
(3) Net Operating Income (NOI=(1)-(2))	58,944,512	
(4) Temporary Deposit Management Profits, etc.	113,946	Considering the ordinary deposit interest, etc.
(5) Capital Expenditures	1,115,333	Appraisal based on the Building Condition Appraisal Report by Shimizu Corporation.
(6) Standardized Net Cash Flow (NCF=(3)-(4))	57,943,125	
(7) Capitalization Rate	5.4%	Appraisal based on the real estate's regional individual characteristics of real estate, while also taking into account the investment cap rate of the surrounding area.
Value Using the Discounted Cash Flow Method	1,010,000,000	
Discount Rate	5.4%	
Final Capitalization Rate	5.7%	
Cost Approach Value	756,000,000	
Land Ratio	43.9%	
Building Ratio	56.1%	

Items applied to adjustments in approaches to the value and the determination of the appraisal value	The property is located along a commercial street on the former Nakayama-do, and has small-scale shops/residences and mid-to-high rise residential buildings. The closest station is approx. 7 minutes on foot, and is accessible to places within the city such as Otemachi Station (approx. 20 min. away by subway). The Fund can expect stable needs from single adults who work in the city. The building is fairly new, completed approx. 4 years ago, and has high market competitiveness with mainly 1K rooms and as it meets a certain quality in the specifications and facilities, it is a rental apartment that can expect high revenues in the future. The appraisal value was determined in light of the above factors
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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 Takanawa	Minato-ku, Tokyo	2,950.11	106	3,510,000	2.7	4th FP
	PROUD FLAT Yoyogi 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	0.7	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 Gwoninzaka	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	1.2	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	0.8	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	0.9	1st FP
	PROUD FLAT Kamata II	Ota-ku, Tokyo	4,052.72	169	2,980,000	2.3	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	0.9	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	1.8	3rd FP
	PROUD FLAT Kamioooka	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 Ebisu Minami	Shibuya-ku, Tokyo	881.89	21	947,000	0.7	1st FP
	PRIME URBAN Yoyogi	Shibuya-ku, Tokyo	439.56	19	408,000	0.3	1st FP
	PRIME URBAN Bancho	Chiyoda-ku, Tokyo	1,277.04	52	1,170,000	0.9	1st FP
	PRIME URBAN Chiyoda Fujimi	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	0.4	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	0.8	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	0.6	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 Ogikubo	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	1.7	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 Shinjuriagaoka	Kawasaki-shi, Kanagawa	1,708.19	64	1,210,000	0.9	5th FP
	PRIME URBAN Urayasu	Urayasu-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	0.6	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	1.6	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 Hataegaya	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	2.7	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 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	1,782.26	93	1,100,000	0.8	1st FP	
URBAN STAGE Yukiya	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	0.4	1st FP	
URBAN STAGE Takado	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	
URBAN STAGE Ekoda	Nerima-ku, Tokyo	872.49	35	385,000	0.3	1st FP	
URBAN STAGE Takinokawa	Kita-ku, Tokyo	554.39	29	287,000	0.2	1st FP	
URBAN STAGE Asakusa	Taito-ku, Tokyo	876.70	22	350,000	0.3	1st FP	
URBAN STAGE Machiya	Arakawa-ku, Tokyo	455.19	26	210,000	0.2	1st FP	
URBAN STAGE Koganei	Koganei-shi, Tokyo	682.43	27	229,000	0.2	1st FP	
URBAN STAGE 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	994.68	54	319,000	0.2	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 Kosuui 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	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	0.4	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
	URBAN STAGE Yono Hommachi	Saitama-shi, Saitama	1,372.74	70	519,000	0.4	1st FP
	Sub Total (115 Properties)		162,404.64	6,079	114,035,000	86.2	
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	0.3	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	0.2	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	0.4	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 Niuvo 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 Nacamachi Ichome	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	1.2	5th FP
	URBAN STAGE Tsutsumidori Amamiya	Sendai-shi, Miyagi	4,251.91	65	969,000	0.7	4th 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 (27 Properties)		48,226.21	1,408	17,291,696	13.1	
	Total (142 Properties)		210,630.85	7,487	131,326,696	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)
Greater Tokyo	URBAN STAGE Itabashi Kuyakushomae	Itabashi-ku, Tokyo	1,742.64	68	940,000	0.7	8th FP
	Sub Total (1 Properties)		1,742.64	68	940,000	0.7	
	Total (1 Properties)		1,742.64	68	940,000	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)	164,147.28	6,147	114,975,000	86.9
Other Areas (27 Properties)	48,226.21	1,408	17,291,696	13.1
Total (143 Properties)	212,373.49	7,555	132,266,696	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

(Reference Material 3)

Property Image

