



NOMURA
Residential Fund

For Translation Purposes Only

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For Immediate Release

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

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Notice Concerning Property Acquisition

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

1. Summary of the Asset

Type of Asset	Real Estate
Property Name (Note)	URBAN STAGE Kasai East
Acquisition Price	¥940,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	December 21, 2010 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	January 12, 2011 (date of delivery of the real estate)
Seller	MUM Co., Ltd. (refer to “6. Seller Profile” below)
Financing	Fund in hand
Form of Payment	Payment in full at the time of purchase

(Note) Although the current property name is “Gran Charme Kasai II”, 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.

- This property is a 4-minute walk from Kasai Station on the Tokyo metro Tozai Line, and from that station, business areas such as Otemachi and Nihonbashi are accessible in approximately 15 minutes. Also, by transferring at Nihonbashi Station on to the Tokyo Metro Ginza Line, Ginza Station is only approximately 20 minutes away, which provide convenient access to business and commercial areas.
- In the area surrounding Kasai Station, there are not only supermarkets and drugstores, but also many cafes/restaurants and convenience stores, which provide a good living environment.
- The property, which is a corner lot, has a 7 meter wide road on two sides, which generates a sense of openness. Also, the property consists of 1K units in 4 different room layouts, which all provide separate bath/vanity/toilet rooms, and with the building exterior and dignified entrance design, meeting the tenant needs in the area.
- As stated above, the Fund expects steady demand from mainly single adults who commute into the city. As the whole property is leased out to one company (rental lease agreement term ends March 31, 2012), stable revenue is expected.

3. Property Summary

Property Name		URBAN STAGE Kasai East
Type of Asset		Real Estate
Location (Note 1)	Registry	6-16-5 Higashi Kasai, Edogawa-ku, Tokyo
	Street Address	6-16-9 Higashi Kasai, Edogawa-ku, Tokyo
Access		4-minute walk from Kasai Station on the Tokyo Metro Tozai Line.
Land	Ownership	Ownership
	Area (Note 1)	703.46 sq. meters
	Building Coverage	70% (Note 2)
	Floor Area Ratio	280% (Note 3)
Building	Ownership	Ownership
	Use (Note 1)	Apartment building
	Completion Date (Note 1)	March 8, 2006
	Total Floor Area (Note 1)	2,118.43 sq. meters
	Structure (Note 1)	RC, 8F
	Leasable Units (Note 4)	78 units (under 30 sq. meters: 78 units)
Property Management Company		Dainichi Co., Ltd. (Note 5)
Master Leasing Company		Dainichi Co., Ltd. (Note 6)
Type of Master Lease		Pass-through Structure (Note 7)
Collateral		None
Notes		None

Acquisition Price		¥940,000 thousand			
Appraisal	Appraisal Method	Appraisal by Daiwa Real Estate Appraisal Co., Ltd.			
	Appraisal Value	¥998,000 thousand			
	Appraisal Date	December 1, 2010			
Estimated NOI (Note 8)		¥59,231 thousand			
Leasing Status (as of December 21, 2010)					
Total Number of Tenants		1			
Total Rental Income (Note 9)		¥72,072 thousand			
Security Deposits		¥11,388 thousand			
Occupancy Rate		100.0%			
Total Leased Floor Area (Note 10)		2,324.99 sq. meters			
Total Leasable Floor Area (Note 4)		2,324.99 sq. meters			
Past Occupancy Rates	May 31, 2006	May 31, 2007	May 31, 2008	May 31, 2009	May 31, 2010
	100.0%	100.0%	100.0%	100.0%	100.0%

(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) Building Coverage
As the property is located within a category 1 residential district, the Building Coverage would originally be 60%. However, the Building Coverage has been increased to 70%, as the property is a corner lot.

(Note 3) Floor Area Ratio
The Property's Floor Area Ratio limit was originally set at 300%, but the frontal road regulation (7.0 meters×40%) is prioritized.

(Note 4) 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). Also, the total of the property's exclusively occupied area is 1,884.62 square meters.

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

(Note 6) Master Lease Company
The master leasing company scheduled to enter into a master lease agreement after the completion of the acquisition is stated.

(Note 7) 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 8) 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 97.0% 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 9) 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 10) 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. Overview of Building Condition Appraisal Report Summary, etc.

(1) Building Condition Appraisal Report Summary

	URBAN STAGE Kasai East
Building Condition Appraisal Report Issuer	Tokyo Bldg-Tech Center Co., Ltd.
Building Condition Appraisal Report Issue Date	December 8, 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)	¥17,530 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 Kasai East
Earthquake PML Appraisal Report Issuer	NKSJ Risk Management, Inc.
Earthquake PML Appraisal Report Issue Date	November 2010
Earthquake Risk Analysis (PML) (Note)	9.10%

(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 Kasai East	K.K. Alte Sekkei	Toda Corporation	Zaidan Hojin Jutaku Kinyu Fukyu Kyokai	Nissoken Architects/ Engineers, Inc.

6. Seller Profile

Company Name	MUM Co., Ltd.
Head Office	1-16-3 Kitazakae, Urayasu-shi, Chiba
Representative	Representative Director, Genichi Mutsui Representative Director, Hisahito Mutsui
Principal Business	Real Estate
Capital	¥80,000 thousand
Established	February 25, 1969
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	Dainichi Co., Ltd.
Head Office	1-16-3 Kitazakae, Urayasu-shi, Chiba
Representative	Representative Director, Genichi Mutsui Representative Director, Hisahito Mutsui
Principal Business	Real Estate
Capital	¥80,000 thousand
Established	November 13, 2009
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	As of November 30, 2010, the said company and the Fund have a property management agreement (and master lease agreement) regarding 19 properties of the Fund's portfolio. There is 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. Forecast

Financial results after the acquisition of the property for the ninth fiscal period (December 1, 2010 to May 31, 2011), 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 January 2011.

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 Kasai East
Appraisal Value	¥998,000,000
Appraisal Agency	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	December 1, 2010

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	998,000,000	Appraised using both the value calculated by means of the Direct Capitalization Method and the value using the Discount Cash Flow Method equally.
Value using the Direct Capitalization Method	992,000,000	
(1) Gross Income	71,551,440	
Potential Gross Income: (a)~(c)	73,800,000	
(a) Potential Rental Income	72,072,000	Appraisal of standard stable mid to long term collectable rent, based on the attributes of the current lease agreement, standard new rent, and the occupying tenants of the residential and storage areas.
(b) Parking Lot Income	1,728,000	Appraisal of the standard stable mid to long term collectable usage charge, based on the average usage charge and new rent average, according to the current lease agreement.
(c) Other Income	0	key money income and renewal fee income are not allocated, taking into account the current lease. No other income.
Vacancy and Other Losses	2,248,560	Appraisal based on the standard stable mid to long term occupancy rate.
Bad Debt Losses	0	Not allocated, as the security deposit covers bad debt.
(2) Operating Expenses	12,903,085	
Maintenance Expenses	2,272,800	Appraisal based on estimated amount, average standard, etc.
Utility Expenses	1,039,590	Appraisal based on the actual amount.
Repair Expenses	850,089	Allocation of appraised restoration expenses and repair expenses based on the Building Condition Appraisal Report.
Property Management Fees	3,577,572	Appraisal based on agreement conditions, general standard, etc.
Tenant Recruit Expenses, etc.	292,896	Appraisal based on the agreement conditions, taking into account the standard tenant recruit expenses of similar buildings, and applying the estimated turnover ratio of unit and parking lot lease.
Tax and Public Dues	3,965,500	Appraisal based on mid to long term perspective of the tax base of year 2010.
Damage Insurance Fees	135,120	Allocated, taking into account the estimated amount, insurance fee ratio of similar buildings, etc.
Other Expenses	769,518	Allocation of cable fees and other building management fees.
(3) Net Operating Income ((1)-(2))	58,648,355	
(4) Management Profit from Temporary Deposits	220,927	Appraisal based on the assumption that the temporary deposit has a 2.0% investment yield.
(5) Capital Expenditures	1,306,280	Appraised, assuming that average funds are accumulated every period and taking into account the building age, lease renewal fee average from the Building Condition Appraisal Report, the standard capital expenditures of similar building, etc.
(6) Net Cash Flow ((3)+(4)-(5))	57,563,002	
(7) Capitalization Rate	5.8%	Appraised, taking into account the uncertainty and investment cap rate, etc., of similar buildings, while decreasing the spread that attributes from individual factors such as the property's location, building conditions, and other conditions, etc., based on the property's cap rate.

	Revenue Value Using the Discounted Cash Flow Method	1,000,000,000	
	Discount Rate	5.7%	Appraised, taking into account the total individuality of the property, with reference to the investment cap rate from transactions with similar properties.
	Final Capitalization Rate	6.0%	Appraised, with reference to the investment cap rate, etc., with similar buildings, and taking into account the overall future trends of the investment cap rate, the property's risk as an investment, the general forecast of the economic growth in the future, and real estate price and rent movements, etc.
	Cost Approach Value	674,000,000	
	Land Ratio	39.7%	
	Building Ratio	60.3%	

Items applied to adjustments in approaches to the value and the determination of the appraisal value	<p>The property is a 4-minute walk from Kasai Station on the Tokyo Metro Tozai Line. From factors such as closeness to the station, access to the city, convenient livability, and living environment, the property, which provides reasonable competitiveness and investment potential, can expect stable needs from single tenants.</p> <p>The appraisal value was determined in light of the above factors, with the revenue price properly reflecting the investor's investment profitability as the standard and verifying through the settlement price.</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 Takanawa	Minato-ku, Tokyo	2,950.11	106	3,510,000	2.6	4th FP
	PROUD FLAT Yoyogi Uehara	Shibuwa-ku, Tokyo	1,151.34	44	1,100,000	0.8	1st FP
	PROUD FLAT Hatsudai	Shibuwa-ku, Tokyo	958.98	31	865,000	0.6	1st FP
	PROUD FLAT Shibuwa Sakuragaoka	Shibuwa-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 Gyoninzaka	Meguro-ku, Tokyo	855.23	40	882,000	0.7	1st FP
	PROUD FLAT Sumida Riverside	Chuo-ku, Tokyo	3,055.21	110	2,260,000	1.7	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 Shiniuku Kawadacho	Shinjuku-ku, Tokyo	1,102.20	41	1,010,000	0.8	3rd FP
	PROUD FLAT Sangen Java	Setagava-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 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	Shibuwa-ku, Tokyo	881.89	21	947,000	0.7	1st FP
	PRIME URBAN Yoyoei	Shibuwa-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	0.3	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	Setagava-ku, Tokyo	874.15	33	835,000	0.6	1st FP
	PRIME URBAN Minami Karasuyama	Setagava-ku, Tokyo	1,049.73	41	840,000	0.6	2nd FP
	PRIME URBAN Karasuyama Galleria	Setagava-ku, Tokyo	835.05	33	645,000	0.5	2nd FP
	PRIME URBAN Karasuyama Court	Setagava-ku, Tokyo	576.20	23	413,000	0.3	2nd FP
	PRIME URBAN Chitose Funabashi	Setagava-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	1.6	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 Shinjuriyazaka	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 Gyotoku I	Ichikawa-shi, Chiba	1,151.36	52	635,000	0.5	1st FP
	PRIME URBAN Gyotoku II	Ichikawa-shi, Chiba	1,244.00	58	741,000	0.6	1st FP
	PRIME URBAN Gyotoku 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 Hatagava	Shibuwa-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 Honjo 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	Setagava-ku, Tokyo	567.20	34	362,000	0.3	1st FP
	URBAN STAGE Kamiuma	Setagava-ku, Tokyo	1,739.86	37	900,000	0.7	1st FP
	URBAN STAGE Sangen Java	Setagava-ku, Tokyo	1,018.72	47	755,000	0.6	1st FP
	URBAN STAGE Chitose Karasuyama	Setagava-ku, Tokyo	1,774.01	27	730,000	0.5	1st FP
	URBAN STAGE Sangen Java II	Setagava-ku, Tokyo	810.98	17	539,000	0.4	1st FP
	URBAN STAGE Komazawa	Setagava-ku, Tokyo	572.41	26	396,000	0.3	1st FP
	URBAN STAGE Karasuyama	Setagava-ku, Tokyo	507.52	28	344,000	0.3	1st FP
	URBAN STAGE Kamikitazawa	Setagava-ku, Tokyo	1,384.45	29	738,000	0.5	3rd FP
	URBAN STAGE Yoga	Setagava-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 Yukigava	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 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
	URBAN STAGE Ekoda	Nerima-ku, Tokyo	872.49	35	385,000	0.3	1st FP

Area (Note 1)	Name of Property	Location	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)	Acquired Period (Note 5)
	URBAN STAGE Takinokawa	Kita-ku, Tokyo	554.39	29	287,000	0.2	1st FP
	URBAN STAGE Itabashi Kuvakushomae	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 Machiva	Arakawa-ku, Tokyo	455.19	26	210,000	0.2	1st FP
	URBAN STAGE Koganei	Koganei-shi, Tokyo	682.43	27	229,000	0.2	1st FP
	URBAN STAGE 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
	URBAN STAGE Musashi Kosuei 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 (117 Properties)		165,919.33	6,201	116,125,000	86.4	
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 Iuvo 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 Iuichi 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 Niujou 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 Ichhome	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 Kanayama	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 Amamiva	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 Chihava 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	12.9	
	Total (144 Properties)		214,145.54	7,609	133,416,696	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 Area	URBAN STAGE Kasai East	Edogawa-ku, Tokyo	2,324.99	78	940,000	0.7	9th FP
	Sub Total (1 Property)		2,324.99	78	940,000	0.7	
	Total (1 Property)		2,324.99	78	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 (118 Properties)	168,244.32	6,279	117,065,000	87.1
Other Areas (27 Properties)	48,226.21	1,408	17,291,696	12.9
Total (145 Properties)	216,470.53	7,687	134,356,696	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

(Reference Material 3)

Property Image

