



NOMURA
Residential Fund

For Translation Purposes Only

December 28, 2007

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 (the “Property”)

Type of Asset	Real Estate
Property Name	PROUD FLAT Kamioooka (tentative name)
Acquisition Price	¥2,770,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	December 28, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	March 19, 2008 (date of delivery of the real estate)
Seller	Nomura Real Estate Development Co., Ltd. Mitsui & Co., Ltd. (refer to “6. Seller Profile” below)
Financing	To be determined
Form of Payment	Payment in full at the time of purchase

2. Reasons for Acquisition

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

- The property is a 9-minute walk from Kamioooka Station on the Keikyu Main Line, and from the said station, it is approx. 8 minutes to Yokohama Station and approx. 27 minutes to Shinagawa Station (both using the Rapid Limited Express), a convenient access to the main terminal stations.
- The property has excellent access to various parts of Yokohama City, using the Yokohama Municipal Subway Blue Line or the route bus from the Kamioooka Station bus terminal, a total of 43 routes.
- As the Kamioooka area, where the property is located, is an important transportation hub where the Keikyu Main Line and Municipal Subways connect, it has excellent livability with a large-scale multipurpose facility Yumeooka (Keikyu Department, Wing Kamioooka) and large-scale commercial facilities surrounding the station area, in addition to improvements on the station building and bus terminals, redeveloping the area as a sub center of South Yokohama. It is especially convenient for daily shopping, as the property is located next to Ito Yokado, a large-scale supermarket.
- The Fund expects steady demand from a wide variety of tenants, as the property is located in an area known as a “Popular City to Live”, which has excellent livability and accessibility, as mentioned above.
- Also, the property is part of a large-scale project to redevelop approximately 1.5ha of land, which was originally land used for employee housing of a major automaker, and as a 5 building condominium is scheduled to be built in the neighboring land, the Fund can expect further development in the future, including livability enhancement of the property.

As stated above, the property can expect steady demand from single adults commuting to the Yokohama and Tokyo areas, but after the acquisition, this property is scheduled to be rented out as a singles employee housing of a major automaker on a 5-year lease, which ensures stable long-term revenue.

Also, as the property is still under construction and scheduled to be completed in March 2008, the Fund plans to avoid completion and building delivery risks by making the conditions mentioned below the terms of payment.

- that the building be constructed in accordance with drawings and specifications provided in the sales contract.
- that the CIG be delivered after the building is completed, following the completion of an inspection by the regulatory agency.
- that there be no violations of the Building Standard Law, the Urban Planning Law and the Fire Prevention Law, and that no problems are revealed through due diligence.

3. Property Summary

Property Name		PROUD FLAT Kamioooka (tentative name)
Type of Asset		Real Estate
Location (Note 1)	Registry	3-667-9 Kamioooka Nishi, Konan-ku Yokohama-shi, Kanagawa
	Street Address	(Note 2)
Access		9-minute walk from Kamioooka Station on the Keikyu Main Line and Yokohama Municipal Subway Blue Line, 7 minute walk from Konan Chuo Station on the Yokohama Municipal Station Blue Line.

Land	Ownership	Ownership				
	Area (Note 1)	3,645.35 sq. meters				
	Building Coverage	70% (Note 3)				
	Floor Area Ratio	200%, 150% (Note 4)				
Building	Ownership	Ownership				
	Use (Note 1)	Apartment building				
	Completion Date (Note 1)	March 2008 (scheduled)				
	Total Floor Area (Note 1)	9,242.89 sq. meters				
	Structure (Note 1)	RC, B1/6F				
	Leasable Units (Note 1)	200 Units (under 30 sq. meters: 200 units)				
Property Management Company (Note 5)		Nomura Living Support Co., Ltd.				
Master Leasing Company (Note 6)		Nomura Living Support Co., Ltd.				
Type of Master Lease (Note 7)		Pass-through Structure				
Collateral		None				
Notes		Nomura Living Support Co., Ltd., the property management and master leasing company, is considered a related party under the Law Concerning Investment Trust and Investment Corporations (the "Investment Trust Law").				
Acquisition Price		¥2,770,000 thousand				
Price Survey (Note 8)	Survey Method	Price survey by Daiwa Real Estate Appraisal Co., Ltd.				
	Survey Value	¥2,770,000 thousand				
	Survey Date	November 21, 2007				
Estimated NOI (Note 9)		¥150,929 thousand				
Leasing Status (as of December 28, 2007) (Note 10)						
Total Number of Tenants		—				
Total Rental Income		—				
Security Deposits		—				
Occupancy Rate		—				
Total Leased Floor Area		—				
Total Leasable Floor Area (Note 1)		4,872.17 sq. meters				
Past Occupancy Rates (Note 10)		May 31, 2003	May 31, 2004	May 31, 2005	May 31, 2006	May 31, 2007
		—%	—%	—%	—%	—%

(Note 1) Location and other items
Location and Area are based on the information in the real estate registry. As the building is still under construction, Use, Completion Date, Total Floor Area and Structure are based on the information in the building permit. Leasable Units and Total Leasable Floor Area are based on the information in the application for confirmation of drawings and materials.

(Note 2) Street Address
As the property is still under construction, the Street Address has yet to be confirmed.

(Note 3) Building Coverage
As the property is located within a Category 2 residential district and a Category 1 exclusive district for medium and high-rise residential buildings, the Building Coverage would originally be 60%, however, the Building Coverage has been increased to 70%, as the property is a corner lot.

- (Note 4) Floor Area Ratio
Of the property's land, the area from the road boundary to within 25 meters is a Category 2 residential district of 200%, the area over 25 meters is a Category 1 exclusive district for medium and high-rise residential buildings of 150%, and the weighted average figures are applied according to the area ratio.
- (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
The type of master lease scheduled for use upon completion of the acquisition is stated. Pass-through Structure refers to a lease structure involving the master lease company paying an amount the same as rent, based on the lease agreement with the end-tenant.
- (Note 8) Price Survey
The price survey, relying on standard valuation method, is to be conducted by the real estate appraiser on the appraisal date, assuming that the completion of the building is on schedule.
- (Note 9) Estimated NOI
The estimated NOI is the amount of rent income minus the amount of rent expenses (excluding depreciation) taken from the appraisal report by Daiwa Real Estate Appraisal Co., Ltd., and such amount has been rounded down to the nearest thousand (refer to Reference Material 1 "Survey Report Summary"). The stated amount, therefore, is not the Fund's forecasted figure for the specified fiscal period.
- (Note 10) Leasing Status
As the property is still under construction, no lease agreements have been executed with tenants.

4. Building Condition Appraisal Report Summary

(1) Building Condition Appraisal Report

	PROUD FLAT Kamioooka (tentative name)
Building Condition Appraisal Report Issuer	Shimizu Corporation
Building Condition Appraisal Report Issue Date	December 11, 2007
Estimated Amount of Emergency Repair Expenses (Note 1)	—
Estimated Amount of Short Term Repair Expenses (Note 2)	—
Estimated Amount of Long Term Repair Expenses (Note 3)	¥51,140 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) PML Appraisal Report

	PROUD FLAT Kamioooka (tentative name)
Earthquake PML Appraisal Report Issuer	Sompo Japan Risk Management, Inc.
Earthquake PML Appraisal Report Issue Date	November 2007
Earthquake Risk Analysis (PML) (Note)	13.52%

(Note 4) PML (Probable Maximum Loss), which is expressed as a percentage of the replacement value, indicates an estimate of costs to be incurred during the anticipated usable period (generally, the duration of a building is 50 years) for restoration of the property to pre-earthquake condition (a large scale earthquake is likely to occur every 475 years; the possibility of an earthquake occurring during the next 50 years is 10%).

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

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

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

Property Name	Architect	Contractor	Building Permit Agency (Note)	Evaluation Agency
PROUD FLAT Kamioooka (tentative name)	MHS Planners, Architects & Engineers	Takenaka Corporation	Urban Housing Evaluation Center	HI International Consultant Co., Ltd

(Note) As the property is still under construction, only the agencies with confirmation certificates are mentioned.

6. Seller Profile

Company Name	Nomura Real Estate Development Co., Ltd.
Head Office	1-26-2 Nishi Shinjuku, Shinjuku-ku Tokyo
Representative	Hirohisa Suzuki, President
Capital	¥2,000,000 thousand (as of April 1, 2007)
Principal Shareholder	Nomura Real Estate Holdings, Inc. (100%)
Principal Business	Real Estate
Relationship with the Fund and/or NREAM	Nomura Real Estate Development 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.

Company Name	Mitsui & Co., Ltd.
Head Office	1-2-1 Otemachi, Chiyoda-ku Tokyo
Representative	Shoei Utsuda, President

Capital	¥323,212,620 thousand (as of March 31, 2007)
Principal Shareholder	The Master Trust Bank of Japan, Ltd., Japan Trustee Services Bank, Ltd., etc.
Principal Business	Utilizing network and information resources through out global operating locations, regarding areas such as metal, machinery/information, chemicals, energy, consumer goods industry, transportation logistics/financial markets, and multilaterally pursuing business ranging from domestic sales, import & export, foreign trade to development of minerals and new fields in technology.
Relationship with the Fund and/or NREAM	None.

7. Status of Previous Owner

Property Name (location)	PROUD FLAT Kamioooka (tentative name) (3-667-9 Kamioooka Nishi, Konan-ku Yokohama-shi, Kanagawa)
Property Owner Status	Previous Owner
Company Name	Nomura Real Estate Development Co., Ltd. Mitsui & Co., Ltd.
Relationship with NREAM	An affiliated company (100%) of Nomura Real Estate Holdings, Inc., which holds 100% ownership of Nomura Real Estate Asset Management Co., Ltd., the Fund's asset management company. (Nomura Real Estate Development Co., Ltd.)
Acquisition Process & Reasons, etc.	Developed with the purpose of selling.
Acquisition Price (including other expenses)	—
Time of Acquisition	—

8. Broker Profile

No brokers were involved in the transaction of the Property.

9. Transactions with Related Parties

(1) Transactions regarding Property Acquisition

The transaction of this property is considered transactions with a Related Party under the Investment Trust Law. Therefore, the asset management company's Compliance Committee and Residence Management Division Investment Committee has deliberated and given its approval on the acquisition, acquisition price and other conditions of the Property according to the Residence Management Division Investment Committee Policy, the Compliance Policy, the Compliance Manual, etc.

(2) Transactions regarding Property Management

This property's property management and master lease company, Nomura Living Support Co., Ltd., is considered a Related Party under the Investment Trust Law. Therefore, the asset management company's Compliance Committee and Residence Management Division Investment Committee has deliberated and given its approval on the acquisition, acquisition price and other conditions of the Property according to the Residence Management Division Investment Committee Policy, the Compliance Policy, the Compliance Manual, etc.

10. Forecasts

Forecasts of financial results, which include this property acquisition, for the third fiscal period (December 1, 2007 - May 31, 2008) will be announced separately at the time of the financial results of the second fiscal period (ended November 30, 2007), taking into consideration the operation of the entire portfolio.

Attachments:

Reference Material 1 "Price Survey Summary"

Reference Material 2 "Portfolio After Acquisition of the Property"

Reference Material 3 "Property Image"

(Reference Material 1)

Price Survey Summary

Property Name	PROUD FLAT Kamioooka (tentative name)
Appraisal Value	¥2,770,000,000
Appraisal Agency	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	November 21, 2007

(Thousands of yen unless otherwise noted)

Item	Content	Basis
Income Capitalization Approach Value	2,770,000	The Income Capitalization Approach Value has been calculated using the mutual alignment of the value of the Direct Capitalization Method and the Discount Cash Flow Method.
Value using the Direct Capitalization Method	2,870,000	
(1) Valid Gross Income	187,404	
Rental Income	193,200	Appraisal based on the expected new rent.
Other Income	0	
Potential Gross Income	193,200	
Vacancy Loss Equivalent	5,796	Appraisal based on distinctness of the said real estate.
Bad Debt Loss Equivalent	0	Not allocated, as the security deposit covers bad debt.
(2) Total Expenses	36,475	
Maintenance Expenses	13,446	Appraisal based on the estimated amount, etc.
Tax and Public Dues	15,442	Allocation of estimate.
Damage Insurance Fees	696	Appraisal based on performance of similar buildings.
Other Expenses	6,892	Allocation of tenant recruit expenses and tenant replacement expenses, etc.
(3) Leasing Net Operating Income (NOI=(1)-(2))	150,929	
(4) Interest from Security Deposit	543	Appraisal based on the assumption that the operation has a 2.0% investment yield.
(5) Annual Funding for Large Scale Repair Costs	4,874	Appraised, taking into account the Building Condition Appraisal Report and the standard expenditures of similar buildings.
(6) Standardized Net Cash Flow (NCF=(3)+(4)-(5))	146,598	
(7) Capitalization Rate	5.1%	Appraised, taking into account the real estate's overall regional characteristics and individuality, etc.
Value Using the Discounted Cash Flow Method	2,730,000	
Discount Rate	4.8%	
Final Capitalization Rate	5.4%	
Cost Approach Value	3,010,000	
Land Ratio	42.2%	
Building Ratio	57.8%	

Items applied to adjustments in value calculations and to the determination of the appraisal value	The Property is set to be an employee housing for a large listed company and can expect stable revenue. It has convenient access to the inner city. Taking the Limited Express from Kamioooka Station on the Keihin Kyuko Line, it is approximately 8 minutes to Yokohama Station and approximately 27 minutes to Shinagawa Station. The location of the property has a good living environment, as it is surrounded by greenery, but also has many commercial facilities such as Keikyu Department Store, Wing Kamioooka, and Camio in front of the station. There is also an Ito-Yokado located northeast of the property, which is convenient for daily use.
----------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

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 Yoyogi Uehara	Shibuya-ku, Tokyo	1,151.34	44	1,100,000	1.0	1st FP
	PROUD FLAT Hartsudai	Shibuya-ku, Tokyo	958.98	31	865,000	0.8	1st FP
	PROUD FLAT Gakugei Daigaku	Meguro-ku, Tokyo	934.39	41	812,000	0.7	1st FP
	PROUD FLAT Meguro Gvoinzaka	Meguro-ku, Tokyo	855.23	40	882,000	0.8	1st FP
	PROUD FLAT Sumida Riverside	Chuo-ku, Tokyo	3,055.21	110	2,260,000	2.0	2nd FP
	PROUD FLAT Kagurazaka	Shinjuku-ku, Tokyo	1,793.43	70	1,540,000	1.4	1st FP
	PROUD FLAT Waseda	Shinjuku-ku, Tokyo	1,450.91	60	1,110,000	1.0	2nd FP
	PROUD FLAT Sangen Java	Setagaya-ku, Tokyo	1,277.82	48	1,350,000	1.2	1st FP
	PROUD FLAT Kamata	Ota-ku, Tokyo	1,541.64	67	1,140,000	1.0	1st FP
	PROUD FLAT Kiyosumi Shirakawa	Koto-ku, Tokyo	1,209.56	55	900,000	0.8	1st FP
	PRIME URBAN Akasaka	Minato-ku, Tokyo	1,062.05	25	956,000	0.8	1st FP
	PRIME URBAN Tamachi	Minato-ku, Tokyo	1,107.36	48	941,000	0.8	1st FP
	PRIME URBAN Ebisu Minami	Shibuya-ku, Tokyo	881.89	21	947,000	0.8	1st FP
	PRIME URBAN Yoyogi	Shibuya-ku, Tokyo	439.56	19	408,000	0.4	1st FP
	PRIME URBAN Bancho	Chivoda-ku, Tokyo	1,277.04	52	1,170,000	1.0	1st FP
	PRIME URBAN Chivoda Fujimi	Chivoda-ku, Tokyo	793.87	32	707,000	0.6	1st FP
	PRIME URBAN Idabashi	Chivoda-ku, Tokyo	2,087.70	90	2,030,000	1.8	1st FP
	PRIME URBAN Ebisu	Meguro-ku, Tokyo	1,444.40	29	1,200,000	1.1	1st FP
	PRIME URBAN Naka Meguro	Meguro-ku, Tokyo	1,302.42	49	1,320,000	1.2	1st FP
	PRIME URBAN Gakugei Daigaku	Meguro-ku, Tokyo	1,008.39	32	886,000	0.8	1st FP
	PRIME URBAN Senzoku	Meguro-ku, Tokyo	655.27	22	536,000	0.5	1st FP
	PRIME URBAN Meguro Riverside	Meguro-ku, Tokyo	453.77	24	464,000	0.4	2nd FP
	PRIME URBAN Nishi Shinjuku I	Shinjuku-ku, Tokyo	1,459.86	60	1,290,000	1.1	1st FP
	PRIME URBAN Nishi Shinjuku II	Shinjuku-ku, Tokyo	1,162.55	46	1,000,000	0.9	1st FP
	PRIME URBAN Shinjuku Naitomachi	Shinjuku-ku, Tokyo	578.18	14	512,000	0.5	1st FP
	PRIME URBAN Nishi Waseda	Shinjuku-ku, Tokyo	507.11	28	503,000	0.4	2nd FP
	PRIME URBAN Sangen Java	Setagaya-ku, Tokyo	874.15	33	835,000	0.7	1st FP
	PRIME URBAN Minami Karasuyama	Setagaya-ku, Tokyo	1,049.73	41	840,000	0.7	2nd FP
	PRIME URBAN Karasuyama Galleria	Setagaya-ku, Tokyo	835.05	33	645,000	0.6	2nd FP
	PRIME URBAN Karasuyama Court	Setagaya-ku, Tokyo	576.20	23	413,000	0.4	2nd FP
	PRIME URBAN Shinagawa Nishi	Shinagawa-ku, Tokyo	961.25	46	624,000	0.6	1st FP
	PRIME URBAN Osaki	Shinagawa-ku, Tokyo	2,106.16	99	1,700,000	1.5	1st FP
	PRIME URBAN Omori	Ota-ku, Tokyo	1,190.70	54	824,000	0.7	1st FP
	PRIME URBAN Kita Senzoku	Ota-ku, Tokyo	834.90	46	576,000	0.5	1st FP
	PRIME URBAN Nishi Ogikubo	Suginami-ku, Tokyo	543.09	24	435,000	0.4	1st FP
	PRIME URBAN Orsuka	Toshima-ku, Tokyo	944.99	46	794,000	0.7	1st FP
	PRIME URBAN Monzen Nakacho	Koto-ku, Tokyo	3,127.94	117	2,200,000	1.9	1st FP
	PRIME URBAN Kamido	Koto-ku, Tokyo	1,117.34	52	705,000	0.6	1st FP
	PRIME URBAN Sumiyoshi	Koto-ku, Tokyo	813.52	40	552,000	0.5	1st FP
	PRIME URBAN Kinshi Koen	Sumida-ku, Tokyo	1,886.50	77	1,180,000	1.0	1st FP
	PRIME URBAN Kinshicho	Sumida-ku, Tokyo	991.62	49	668,000	0.6	1st FP
	PRIME URBAN Hirai	Edogawa-ku, Tokyo	1,095.91	53	700,000	0.6	1st FP
	PRIME URBAN Kasai	Edogawa-ku, Tokyo	905.81	45	637,000	0.6	1st FP
	PRIME URBAN Kasai II	Edogawa-ku, Tokyo	1,437.84	68	958,000	0.8	1st FP
	PRIME URBAN Uravasu	Uravasu-shi, Chiba	1,264.84	60	840,000	0.7	1st FP
	PRIME URBAN Gvotoku I	Ichikawa-shi, Chiba	1,151.36	52	635,000	0.6	1st FP
	PRIME URBAN Gvotoku II	Ichikawa-shi, Chiba	1,244.00	58	741,000	0.7	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	0.7	1st FP
	URBAN STAGE Azabu Iuban	Minato-ku, Tokyo	1,222.13	40	991,000	0.9	1st FP
	URBAN STAGE Hatagaya	Shibuya-ku, Tokyo	650.60	38	452,000	0.4	1st FP
	URBAN STAGE Toritsu Daigaku	Meguro-ku, Tokyo	996.81	16	524,000	0.5	1st FP
	URBAN STAGE Kachidoki	Chuo-ku, Tokyo	4,481.82	144	2,290,000	2.0	1st FP
	URBAN STAGE Shinkawa	Chuo-ku, Tokyo	3,600.61	46	2,250,000	2.0	3rd FP
	URBAN STAGE Hongo Ikizaka	Bunkyo-ku, Tokyo	662.58	27	647,000	0.6	3rd FP
	URBAN STAGE Naka Ochiai	Shinjuku-ku, Tokyo	1,237.98	18	655,000	0.6	1st FP
	URBAN STAGE Ochiai	Shinjuku-ku, Tokyo	517.53	32	324,000	0.3	1st FP
	URBAN STAGE Shinjuku Ochiai	Shinjuku-ku, Tokyo	1,053.39	28	635,000	0.6	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	0.8	1st FP
	URBAN STAGE Sangen Java	Setagaya-ku, Tokyo	1,018.72	47	755,000	0.7	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	0.5	1st FP
	URBAN STAGE Komazawa	Setagaya-ku, Tokyo	572.41	26	396,000	0.4	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	0.7	3rd FP
	URBAN STAGE Oimachi	Shinagawa-ku, Tokyo	722.70	45	530,000	0.5	1st FP
	URBAN STAGE Oimachi II	Shinagawa-ku, Tokyo	1,719.82	92	1,100,000	1.0	1st FP
	URBAN STAGE Yukigaya	Ota-ku, Tokyo	1,536.59	94	970,000	0.9	1st FP
	URBAN STAGE Ikegami	Ota-ku, Tokyo	2,456.48	95	1,460,000	1.3	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	1.0	1st FP
	URBAN STAGE Komagome	Toshima-ku, Tokyo	990.18	19	412,000	0.4	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	0.3	1st FP
	URBAN STAGE Asakusa	Taito-ku, Tokyo	876.70	22	350,000	0.3	1st FP
	URBAN STAGE Machiva	Arakawa-ku, Tokyo	455.19	26	210,000	0.2	1st FP
	URBAN STAGE Koganei	Koganei-shi, Tokyo	682.43	27	229,000	0.2	1st FP
	URBAN STAGE Hino	Hino-shi, Tokyo	994.68	54	319,000	0.3	1st FP
	URBAN STAGE Musashi Kosugi comodo	Kawasaki-shi, Kanagawa	3,690.37	56	2,150,000	1.9	2nd FP
	URBAN STAGE Tsurumi Terava	Yokohama-shi, Kanagawa	952.06	50	457,000	0.4	1st FP
	URBAN STAGE Tennocho	Yokohama-shi, Kanagawa	332.48	20	136,000	0.1	1st FP
	URBAN STAGE Uravasu	Uravasu-shi, Chiba	437.94	27	277,000	0.2	1st FP
	URBAN STAGE Minami Gvotoku I	Ichikawa-shi, Chiba	682.05	41	357,000	0.3	1st FP
	URBAN STAGE Minami Gvotoku II	Ichikawa-shi, Chiba	611.61	37	285,000	0.3	1st FP
	URBAN STAGE Minami Gvotoku III	Ichikawa-shi, Chiba	543.84	33	263,000	0.2	1st FP
	URBAN STAGE Minami Gvotoku IV	Ichikawa-shi, Chiba	535.08	32	256,000	0.2	1st FP
	URBAN STAGE Gvotoku Ekimae	Ichikawa-shi, Chiba	927.33	46	561,000	0.5	3rd FP
	URBAN STAGE Minami Gvotoku V	Ichikawa-shi, Chiba	662.68	38	293,000	0.3	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	0.5	1st FP
	Cosmo Gracia Yotsuya Gaien Higashi	Shinjuku-ku, Tokyo	1,759.61	51	1,700,000	1.5	1st FP
	Koganei Habitation	Koganei-shi, Tokyo	5,999.80	98	2,390,000	2.1	3rd FP
	Musashino Green Hills	Koganei-shi, Tokyo	2,970.70	78	1,590,000	1.4	3rd FP
	Sub Total (95 Properties)		117,907.82	4,464	78,910,000	69.9	

Area (Note 1)	Name of Property	Location	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)	Acquired Period (Note 5)
Other Areas	PROUD FLAT Itsutsubashi	Sendai-shi, Miyagi	1,861.56	60	682,000	0.6	1st FP
	PRIME URBAN Yamahana (Note 6)	Sapporo-shi, Hokkaido	1,518.58	33	377,000	0.3	1st FP
	PRIME URBAN Kita Juyo Jo (Note 7)	Sapporo-shi, Hokkaido	1,155.60	36	336,000	0.3	1st FP
	PRIME URBAN Odori Koen I (Note 8)	Sapporo-shi, Hokkaido	1,850.20	53	530,000	0.5	1st FP
	PRIME URBAN Odori Koen II (Note 9)	Sapporo-shi, Hokkaido	1,148.72	36	322,000	0.3	1st FP
	PRIME URBAN Aoi	Nagoya-shi, Aichi	1,571.04	46	724,000	0.6	1st FP
	PRIME URBAN Esaka I	Suita-shi, Osaka	1,189.12	48	672,000	0.6	1st FP
	PRIME URBAN Esaka II	Suita-shi, Osaka	1,392.00	57	790,000	0.7	1st FP
	Benefis Hakata Grand Suite	Fukuoka-shi, Fukuoka	2,176.23	67	830,000	0.7	1st FP
	Benefis Yakuin Minami	Fukuoka-shi, Fukuoka	897.84	34	351,000	0.3	1st FP
	Sub Total (10 Properties)		14,760.89	470	5,614,000	5.0	
	Total (105 Properties)		132,668.71	4,934	84,524,000	74.9	

[Scheduled Acquisitions]

Area (Note 1)	Name of Property	Location	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)	Acquiring Period (Note 5)	
Greater Tokyo Area	PROUD FLAT Shibuya Sakuragaoka (tentative name)	Shibuya-ku, Tokyo	638.70	30	800,000	0.7	3rd FP	
	PROUD FLAT Shinjuku Kawadacho (tentative name)	Shinjuku-ku, Tokyo	1,102.20	41	1,010,000	0.9	3rd FP	
	PROUD FLAT Shinotsuka (tentative name)	Toshima-ku, Tokyo	752.09	35	695,000	0.6	3rd FP	
	PROUD FLAT Monzen Nakacho II (tentative name)	Koto-ku, Tokyo	830.55	35	650,000	0.6	3rd FP	
	PROUD FLAT Yokohama (tentative name)	Yokohama-shi, Kanagawa	3,118.12	113	2,340,000	2.1	3rd FP	
	PROUD FLAT Kamioooka (tentative name)	Yokohama-shi, Kanagawa	4,872.17	200	2,770,000	2.5	3rd FP	
	PRIME URBAN Meguro Ohashi Hills (tentative name)	Meguro-ku, Tokyo	2,955.74	99	3,580,000	3.2	3rd FP	
	PRIME URBAN Hakusan	Bunkyo-ku, Tokyo	1,069.82	42	893,000	0.8	3rd FP	
	PRIME URBAN Denenchofu Minami (tentative name)	Ota-ku, Tokyo	1,100.17	44	900,000	0.8	3rd FP	
	PRIME URBAN Nakano Kamitakada (tentative name)	Nakano-ku, Tokyo	818.75	33	640,000	0.6	3rd FP	
	URBAN STAGE Gyoroku	Ichikawa-shi, Chiba	2,237.19	77	948,000	0.8	3rd FP	
	PROUD FLAT Shiokane Takanawa (tentative name)	Minato-ku, Tokyo	2,950.11	106	3,510,000	3.1	4th FP	
	PROUD FLAT Monzen Nakacho I (tentative name)	Koto-ku, Tokyo	1,191.08	55	1,130,000	1.0	4th FP	
		Sub Total (13 Properties)		23,636.69	910	19,866,000	17.6	
	Other Areas	PRIME URBAN Hokudaimae (tentative name)	Sapporo-shi, Hokkaido	1,851.39	60	600,000	0.5	3rd FP
		PRIME URBAN Miyanosawa (tentative name)	Sapporo-shi, Hokkaido	2,114.53	54	576,200	0.5	3rd FP
		PRIME URBAN Odori Higashi (tentative name)	Sapporo-shi, Hokkaido	1,494.36	36	424,000	0.4	3rd FP
PRIME URBAN Chiji Koukan (tentative name)		Sapporo-shi, Hokkaido	1,007.30	42	337,900	0.3	3rd FP	
PRIME URBAN Maruyama (tentative name)		Sapporo-shi, Hokkaido	911.07	27	283,200	0.3	3rd FP	
PRIME URBAN Kita Niiyuo Jo (tentative name)		Sapporo-shi, Hokkaido	1,773.90	36	503,700	0.4	3rd FP	
PRIME URBAN Odori Minami (tentative name)		Sapporo-shi, Hokkaido	2,439.90	58	731,600	0.6	3rd FP	
PRIME URBAN Nagamachi Ichome (tentative name)		Sendai-shi, Miyagi	3,411.24	60	1,110,000	1.0	3rd FP	
PRIME URBAN Yaotome Chuo (tentative name)		Sendai-shi, Miyagi	1,380.21	43	428,000	0.4	3rd FP	
PRIME URBAN Kanayama (tentative name)		Nagoya-shi, Aichi	1,391.02	58	632,000	0.6	3rd FP	
Benefis Kashii Verbena (Note 10)		Fukuoka-shi, Fukuoka	1,231.79	39	396,000	0.4	3rd FP	
Benefis Hakata Higashi Grand Suite (Note 11)		Fukuoka-shi, Fukuoka	1,856.92	65	693,000	0.6	3rd FP	
Benefis Chihaya Grand Suite (Note 12)		Fukuoka-shi, Fukuoka	1,738.87	48	545,000	0.5	3rd FP	
PRIME URBAN Tsurumai (tentative name)		Nagoya-shi, Aichi	2,502.11	104	1,189,096	1.1	5th FP	
	Sub Total (14 Properties)		25,104.61	730	8,449,696	7.5		
	Total (27 Properties)		48,741.30	1,640	28,315,696	25.1		

[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 (108 Properties)	141,544.51	5,374	98,776,000	87.5
Other Areas (24 Properties)	39,865.50	1,200	14,063,696	12.5
Total (132 Properties)	181,410.01	6,574	112,839,696	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

(Note 6) As of October 30, 2007, the property name has changed from "Presence S17" to "PRIME URBAN Yamahana."

(Note 7) As of October 30, 2007, the property name has changed from "Presence N14" to "PRIME URBAN Kita Juyo Jo."

(Note 8) As of October 30, 2007, the property name has changed from "Classe Odori Koen" to "PRIME URBAN Odori Koen I."

(Note 9) As of October 30, 2007, the property name has changed from "Presence S1" to "PRIME URBAN Odori Koen II."

(Note 10) As of December 6, 2007, the property name has changed from "Benefis Kashii (tentative name)" to "Benefis Kashii Verbena."

(Note 11) As of December 6, 2007, the property name has changed from "Benefis Yoshizuka Grand Suite (tentative name)" to "Benefis Hakata Higashi Grand Suite."

(Note 12) As of December 6, 2007, the property name has changed from "Benefis Chihaya (tentative name)" to "Benefis Chihaya Grand Suite."

(Reference Material 3)

Property Image

PROUD FLAT Kamioooka (tentative name)



(Note) This image has been created in accordance with architectural drawings and specifications and may differ from the actual building.