



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)

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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 (the “Property”)

Type of Asset	Real estate
Property Name	PROUD FLAT Yokohama (tentative name)
Acquisition Price	¥2,340,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	March 28, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	March 14, 2008 (date of delivery of the real estate)
Seller	Nomura Real Estate Development Co., Ltd. Nomura Real Estate Urban Net 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 7-minute walk from Yokohama Station, one of the largest stations in the Tokyo metropolitan area, and is connected to major lines such as the JR Tokaido, Yokosuka, Keihin Tohoku and Negishi Lines, the Tokyu Toyoko Line, the Yokohama Minatomirai Line, the Keikyu Main Line, the Sotetsu Main Line and the Yokohama Municipal Subway Blue Line, which makes commuting convenient, not only within Kanagawa, but also to other various destinations, including Tokyo.
- The Property is located north of Yokohama Station, in an area south of Takashimadai, a vestige of Kanagawajyuku, one of the stops on the strategic Old Tokaido highway, which has scarcity value and provides a quiet living environment.
- Architect, Gaku Yanagi was appointed to oversee the design of the Property, and he added elegance to the interior/exterior design of the 1LDK type rooms, one of two types of rooms (1K and 1LDK), with a spacious open view bath, and in doing so promoted product differentiation.
- As stated above, the Fund expects steady demand from a wide array of tenants, such as single adults who commute to Yokohama and Tokyo, DINKs, or young families.

As this 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 Yokohama (tentative name)
Type of Asset		Real Estate
Location (Note 1)	Registry	8-18 Daimachi Kanagawa-ku, Yokohama-shi, Kanagawa
	Street Address	(Note 2)
Access		7-minute walk from Yokohama Station on the JR Tokaido, Yokosuka, Keihin Tohoku and Negishi Lines, the Tokyu Toyoko Line, the Yokohama Minatomirai Line, the Keikyu Main Line, the Sotetsu Main Line, and the Yokohama Municipal Subway Blue Line.
Land	Ownership	Ownership
	Area (Note 1)	833.58 sq. meters
	Building Coverage	100% (Note 3)
	Floor Area Ratio	400%

Building	Ownership	Ownership			
	Use (Note 1)	Apartment building			
	Completion Date (Note 1)	March 2008 (scheduled date)			
	Total Floor Area (Note 1)	5,163.14 sq. meters			
	Structure (Note 1)	RC, B1/ 10F			
	Leasable Units (Note 1)	113 Units (under 30 sq. meters: 96 units, 30-50 sq. meters: 16 units, 50-70 sq. meters: 1 unit)			
Property Management Company		To Be Determined			
Master Leasing Company		To Be Determined			
Type of Master Lease (Note 4)		Pass-through Structure (scheduled)			
Collateral		None			
Notes		None			
Acquisition Price		¥2,340,000 thousand			
Price Survey (Note 5)	Survey Method	Price survey by Daiwa Real Estate Appraisal Co., Ltd.			
	Survey Value	¥2,340,000 thousand			
	Survey Date	March 14, 2007			
Estimated NOI (Note 6)		¥120,593 thousand			
Leasing Status (as of March 28, 2007) (Note 7)					
Total Number of Tenants	—				
Total Rental Income	—				
Security Deposits	—				
Occupancy Rate	—				
Total Leased Floor Area	—				
Total Leasable Floor Area (Note 1)	3,118.12 sq. meters				
Past Occupancy Rates	May 31, 2002	May 31, 2003	May 31, 2004	May 31, 2005	May 31, 2006
	—%	—%	—%	—%	—%

(Note 1) Location and Other Items

Location 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 commercial district, the Building Coverage would originally be 80%; however, the Building Coverage has been increased to 100%, as the Property is a fireproof building in a Fire Prevention District.

(Note 4) Type of Master Lease

The type of master lease scheduled for use upon completion of the acquisition is stated. Pass-through Structure refers to a lease structure involving the master lease company paying an amount the same as rent, based on the lease agreement with the end-tenant.

(Note 5) Price Survey

The Price Survey, relying on standard valuation method, is to be conducted by the real estate appraiser on the survey date, assuming that the completion of the building is on schedule.

(Note 6) 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 HIRO & REAS Network, Inc., and such amount has been rounded down to the nearest thousand (refer to Reference Material 1 “Price Survey Summary”). The stated amount, therefore, is not the Fund’s forecasted figure for the specified fiscal period.

(Note 7) Lease Status
As the property is still under construction, no lease agreements have been executed with tenants.

4. Building Condition Appraisal Report Summary

	PROUD FLAT Yokohama (tentative name)
Building Condition Appraisal Report Issuer	Takenaka Corporation
Building Condition Appraisal Report Issue Date	March 12, 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)	¥28,550 thousand
Earthquake Risk Analysis (PML) (Note 4)	13.9%

(Note 1) Emergency Repair Expenses indicate the amount of repair expenses for items that are functionally deficient and hinder daily routine or items that have legal instructions for improvement and have yet to be repaired, depending on the level of urgency.

(Note 2) Short Term Repair Expenses indicate the amount for repairs, items that are in need of immediate improvements due to rapid deterioration (excluding standard repair expenses and interior/facility renewal expenses), or items that may malfunction if left unattended.

(Note 3) The Estimated Amount of Long Term Repair Expenses is the total amount indicated by the issuer, mentioned above, in the Long Term Repair Expenses Forecast (12 years), which is based on the Building Condition Appraisal Report.

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

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

The architect, contractor, building permit agency and evaluation agency for the 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 1)	Evaluation Agency
PROUD FLAT Yokohama (tentative name)	Yokohama Sekkei Co., Ltd.	Asanuma Corporation	Urban Housing Evaluation Center	Yasui Architects & Engineers, Inc. (Note 2)

(Note 1) As the property is still under construction, only the agencies with confirmation certificates are mentioned.

(Note 2) Yasui Architects & Engineers, Inc. applies as a related party according to the Law Concerning Investment Trusts and Investment Corporations (“Investment Trust Law”). At the time of the appraisal commission with the said contractor, the asset management company’s Compliance Committee and Residence Management Division Investment Committee has deliberated and given its approval of on the conditions of the said appraisal commission according to the Residence Management Division Investment Committee Policy, the Compliance Policy, the Compliance Manual, etc.

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, 2006)
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	Nomura Real Estate Urban Net Co., Ltd.
Head Office	1-26-2 Nishi Shinjuku, Shinjuku-ku, Tokyo
Representative	Akira Kitamura, President
Capital	¥1,000,000 thousand (as of April 1, 2006)
Principal Shareholder	Nomura Real Estate Holdings, Inc. (100%)
Principal Business	Brokerage and sales contract business
Relationship with the Fund and/or NREAM	Nomura Real Estate Urban Net Co., Ltd. is an affiliated company of Nomura Real Estate Holdings, Inc., which has 100% ownership of Nomura Real Estate Asset Management Co., Ltd., the Fund's asset management company, and therefore, is a Related Party under the Investment Trust Law.

7. Status of Previous Owner

Property Name (location)	PROUD FLAT Yokohama (tentative name) (8-18 Daimachi Kanagawa-ku, Yokohama-shi, Kanagawa)
Property Owner Status	Previous Owner
Company Name	Nomura Real Estate Development Co., Ltd. Nomura Real Estate Urban Net 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. (Applies to both companies)
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

The transactions of the Property are 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.

10. Forecasts

Forecasts of financial results for the first fiscal period (August 3, 2006 - May 31, 2007) and the second fiscal period (June 1, 2007 - November 30, 2007) have not been changed.

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 Yokohama (tentative name)
Appraisal Value	¥2,340,000,000
Appraisal Agency	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	March 14, 2007

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	2,340,000,000	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	2,390,000,000	
(1) Valid Gross Income	147,258,000	
Rental Income	148,976,000	Appraisal based on the expected new rent.
Other Income	7,710,000	Allocation of premium and renewal fee income, etc.
Potential Gross Income	156,687,000	
Vacancy Loss Equivalent	9,428,000	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	26,665,000	
Maintenance Expenses	12,253,000	Appraisal based on the estimated amount.
Tax and Public Dues	8,652,000	Allocation of estimate.
Damage Insurance Fees	697,000	Appraisal based on performance of similar buildings.
Other Expenses	5,064,000	Allocation of tenant recruit expenses and tenant replacement expenses, etc.
(3) Leasing Net Operating Income (NOI=(1)-(2))	120,593,000	
(4) Interest from Security Deposit	447,000	Appraisal based on the assumption that the operation has a 2.0% investment yield.
(5) Annual Funding for Large Scale Repair Costs	3,984,000	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))	117,056,000	
(7) Capitalization Rate	4.9%	Appraised, taking into account the real estate's overall regional characteristics and individuality, etc.
Value Using the Discounted Cash Flow Method	2,300,000,000	
Discount Rate	4.8%	
Final Capitalization Rate	5.1%	
Cost Approach Value	1,690,000,000	
Land Ratio	41.0%	
Building Ratio	59.0%	

Items applied to adjustments in value calculations and to the determination of the appraisal value	The Property, located in a mixed residential and commercial area, which is centered around residential facilities, is surrounded by numerous smaller retail shops and parking lots. Various commercial facilities are also concentrated around the Yokohama Station area, being the nearest station, and provides a pleasant living atmosphere. Moreover, as the Property is located behind the highway, it offers accessible transportation to destinations in a variety of locations. Therefore, this area is recognized as having high residential demand from a wide range of tenants, such as single adults, DINKs and families.
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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 Yoyogi Uehara	Shibuya-ku, Tokyo	1,151.34	44	1,100,000	1.5	1st FP
	PROUD FLAT Gakugei Daigaku	Meguro-ku, Tokyo	934.39	41	812,000	1.1	1st FP
	PROUD FLAT Kiyosumi Shirakawa	Koto-ku, Tokyo	1,209.56	55	900,000	1.2	1st FP
	PRIME URBAN Akasaka	Minato-ku, Tokyo	1,062.05	25	956,000	1.3	1st FP
	PRIME URBAN Tamachi	Minato-ku, Tokyo	1,107.36	48	941,000	1.3	1st FP
	PRIME URBAN Ebisu Minami	Shibuya-ku, Tokyo	881.89	21	947,000	1.3	1st FP
	PRIME URBAN Yoyogi	Shibuya-ku, Tokyo	439.56	19	408,000	0.6	1st FP
	PRIME URBAN Bancho	Chiyoda-ku, Tokyo	1,277.04	52	1,170,000	1.6	1st FP
	PRIME URBAN Chiyoda Fujimi	Chiyoda-ku, Tokyo	793.87	32	707,000	1.0	1st FP
	PRIME URBAN Idabashi	Chiyoda-ku, Tokyo	2,087.70	90	2,030,000	2.8	1st FP
	PRIME URBAN Ebisu	Meguro-ku, Tokyo	1,444.40	29	1,200,000	1.6	1st FP
	PRIME URBAN Naka Meguro	Meguro-ku, Tokyo	1,302.42	49	1,320,000	1.8	1st FP
	PRIME URBAN Gakugei Daigaku	Meguro-ku, Tokyo	1,008.39	32	886,000	1.2	1st FP
	PRIME URBAN Nishi Shinjuku I	Shinjuku-ku, Tokyo	1,459.86	60	1,290,000	1.8	1st FP
	PRIME URBAN Nishi Shinjuku II	Shinjuku-ku, Tokyo	1,162.55	46	1,000,000	1.4	1st FP
	PRIME URBAN Shinjuku Naitomachi	Shinjuku-ku, Tokyo	578.18	14	512,000	0.7	1st FP
	PRIME URBAN Sangen Java	Setagaya-ku, Tokyo	874.15	33	835,000	1.1	1st FP
	PRIME URBAN Shinagawa Nishi	Shinagawa-ku, Tokyo	961.25	46	624,000	0.8	1st FP
	PRIME URBAN Osaki	Shinagawa-ku, Tokyo	2,106.16	99	1,700,000	2.3	1st FP
	PRIME URBAN Omori	Ota-ku, Tokyo	1,190.70	54	824,000	1.1	1st FP
	PRIME URBAN Kita Senzoku	Ota-ku, Tokyo	834.90	46	576,000	0.8	1st FP
	PRIME URBAN Nishi Ogikubo	Suginami-ku, Tokyo	543.09	24	435,000	0.6	1st FP
	PRIME URBAN Otsuka	Toshima-ku, Tokyo	944.99	46	794,000	1.1	1st FP
	PRIME URBAN Monzen Nakacho	Koto-ku, Tokyo	3,127.94	117	2,200,000	3.0	1st FP
	PRIME URBAN Kameido	Koto-ku, Tokyo	1,117.34	52	705,000	1.0	1st FP
	PRIME URBAN Sumiyoshi	Koto-ku, Tokyo	813.52	40	552,000	0.8	1st FP
	PRIME URBAN Kinshi Koen	Sumida-ku, Tokyo	1,886.50	77	1,180,000	1.6	1st FP
	PRIME URBAN Kinshicho	Sumida-ku, Tokyo	991.62	49	668,000	0.9	1st FP
	PRIME URBAN Hirai	Edogawa-ku, Tokyo	1,095.91	53	700,000	1.0	1st FP
	PRIME URBAN Kasai	Edogawa-ku, Tokyo	905.81	45	637,000	0.9	1st FP
	PRIME URBAN Kasai II	Edogawa-ku, Tokyo	1,437.84	68	958,000	1.3	1st FP
	PRIME URBAN Uravasu	Uravasu-shi, Chiba	1,264.84	60	840,000	1.1	1st FP
	PRIME URBAN Gvotoku I	Ichikawa-shi, Chiba	1,151.36	52	635,000	0.9	1st FP
	PRIME URBAN Gvotoku II	Ichikawa-shi, Chiba	1,244.00	58	741,000	1.0	1st FP
	PRIME URBAN Gvotoku Ekimae	Ichikawa-shi, Chiba	778.19	37	476,000	0.6	1st FP
	PRIME URBAN Nishi Funabashi	Funabashi-shi, Chiba	1,237.80	60	772,000	1.1	1st FP
	URBAN STAGE Azabu Juban	Minato-ku, Tokyo	1,222.13	40	991,000	1.3	1st FP
	URBAN STAGE Hatagaya	Shibuya-ku, Tokyo	650.60	38	452,000	0.6	1st FP
	URBAN STAGE Toritsu Daigaku	Meguro-ku, Tokyo	996.81	16	524,000	0.7	1st FP
	URBAN STAGE Kachidoki	Chuo-ku, Tokyo	4,481.82	144	2,290,000	3.1	1st FP
	URBAN STAGE Naka Ochiai	Shinjuku-ku, Tokyo	1,237.98	18	655,000	0.9	1st FP
	URBAN STAGE Ochiai	Shinjuku-ku, Tokyo	517.53	32	324,000	0.4	1st FP
	URBAN STAGE Roka Koen	Setagaya-ku, Tokyo	567.20	34	362,000	0.5	1st FP
	URBAN STAGE Kamiyama	Setagaya-ku, Tokyo	1,739.86	37	900,000	1.2	1st FP
	URBAN STAGE Sangen Java	Setagaya-ku, Tokyo	1,018.72	47	755,000	1.0	1st FP
	URBAN STAGE Chitose Karasuyama	Setagaya-ku, Tokyo	1,774.01	27	730,000	1.0	1st FP
	URBAN STAGE Sangen Java II	Setagaya-ku, Tokyo	810.98	17	539,000	0.7	1st FP
	URBAN STAGE Komazawa	Setagaya-ku, Tokyo	572.41	26	396,000	0.5	1st FP
	URBAN STAGE Karasuyama	Setagaya-ku, Tokyo	507.52	28	344,000	0.5	1st FP
	URBAN STAGE Oimachi	Shinagawa-ku, Tokyo	722.70	45	530,000	0.7	1st FP
	URBAN STAGE Oimachi II	Shinagawa-ku, Tokyo	1,719.82	92	1,100,000	1.5	1st FP
	URBAN STAGE Yukigaya	Ota-ku, Tokyo	1,536.59	94	970,000	1.3	1st FP
	URBAN STAGE Ikegami	Ota-ku, Tokyo	2,456.48	95	1,460,000	2.0	1st FP
	URBAN STAGE Nakano	Nakano-ku, Tokyo	801.30	51	472,000	0.6	1st FP
	URBAN STAGE Takaido	Suginami-ku, Tokyo	1,746.20	107	1,080,000	1.5	1st FP
	URBAN STAGE Mukojima	Sumida-ku, Tokyo	1,108.91	55	487,000	0.7	1st FP
	URBAN STAGE Ekoda	Nerima-ku, Tokyo	872.49	35	385,000	0.5	1st FP
	URBAN STAGE Takinokawa	Kita-ku, Tokyo	554.39	29	287,000	0.4	1st FP
	URBAN STAGE Asakusa	Taito-ku, Tokyo	876.70	22	350,000	0.5	1st FP
	URBAN STAGE Machiya	Arakawa-ku, Tokyo	455.19	26	210,000	0.3	1st FP
	URBAN STAGE Koganei	Koganei-shi, Tokyo	682.43	27	229,000	0.3	1st FP
	URBAN STAGE Hino	Hino-shi, Tokyo	994.68	54	319,000	0.4	1st FP
	URBAN STAGE Tsurumi Teraya	Yokohama-shi, Kanagawa	952.06	50	457,000	0.6	1st FP
	URBAN STAGE Tennocho	Yokohama-shi, Kanagawa	332.48	20	136,000	0.2	1st FP
	URBAN STAGE Uravasu	Uravasu-shi, Chiba	437.94	27	277,000	0.4	1st FP
	URBAN STAGE Minami Gvotoku I	Ichikawa-shi, Chiba	682.05	41	357,000	0.5	1st FP
	URBAN STAGE Minami Gvotoku II	Ichikawa-shi, Chiba	611.61	37	285,000	0.4	1st FP
	URBAN STAGE Minami Gvotoku III	Ichikawa-shi, Chiba	543.84	33	263,000	0.4	1st FP
	URBAN STAGE Minami Gvotoku IV	Ichikawa-shi, Chiba	535.08	32	256,000	0.3	1st FP
	URBAN STAGE Minami Urawa	Saitama-shi, Saitama	694.05	32	274,000	0.4	1st FP
	URBAN STAGE Yono Hommachi	Saitama-shi, Saitama	1,372.74	70	519,000	0.7	1st FP
	Cosmo Gracia Yotsuya Gaien Higashi	Shinjuku-ku, Tokyo	1,759.61	51	1,700,000	2.3	1st FP
Sub Total (72 Properties)			80,955.38	3,402	54,696,000	74.5	

Area (Note 1)	Name of Property	Location	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)	Acquired Period (Note 5)
Other Areas	PRIME URBAN Aoi	Nagoya-shi, Aichi	1,571.04	46	724,000	1.0	1st FP
	PRIME URBAN Esaka I	Suita-shi, Osaka	1,189.12	48	672,000	0.9	1st FP
	PRIME URBAN Esaka II	Suita-shi, Osaka	1,392.00	57	790,000	1.1	1st FP
	Presence S17	Sapporo-shi, Hokkaido	1,518.58	33	377,000	0.5	1st FP
	Presence N14	Sapporo-shi, Hokkaido	1,155.60	36	336,000	0.5	1st FP
	Sub Total (5 Properties)		6,826.34	220	2,899,000	3.9	
	Total (77 Properties)		87,781.72	3,622	57,595,000	78.5	

[Scheduled Acquisitions]

Area (Note 1)	Name of Property	Location	Leasable Floor Area (sqm) (Note 2)	Leasable Units (Units)	Acquisition Price (Thousands of Yen) (Note 3)	Percent of Total (%) (Note 4)	Acquiring Period (Note 5)
Greater Tokyo Area	PROUD FLAT Hatsudai	Shibuya-ku, Tokyo	958.98	31	865,000	1.2	1st FP
	PROUD FLAT Meguro Gvoninzaka	Meguro-ku, Tokyo	855.26	40	882,000	1.2	1st FP
	PROUD FLAT Kagurazaka	Shinjuku-ku, Tokyo	1,793.43	70	1,540,000	2.1	1st FP
	PROUD FLAT Sangen Java	Setagaya-ku, Tokyo	1,277.82	48	1,350,000	1.8	1st FP
	PROUD FLAT Kamata	Ota-ku, Tokyo	1,541.64	67	1,140,000	1.6	1st FP
	URBAN STAGE Komagome	Toshima-ku, Tokyo	990.18	19	412,000	0.6	1st FP
	PROUD FLAT Sumida Riverside	Chuo-ku, Tokyo	3,055.21	110	2,260,000	3.1	2nd FP
	PROUD FLAT Waseda	Shinjuku-ku, Tokyo	1,450.91	60	1,110,000	1.5	2nd FP
	PROUD FLAT Yokohama (tentative name)	Yokohama-shi, Kanagawa	3,118.12	113	2,340,000	3.2	3rd FP
	PRIME URBAN Hakusan	Bunkyo-ku, Tokyo	1,069.32	42	893,000	1.2	3rd FP
	Sub Total (10 Properties)		16,110.87	600	12,792,000	17.4	
Other Areas	PROUD FLAT Itsutsubashi	Sendai-shi, Miyagi	1,861.56	60	682,000	0.9	1st FP
	Classe Odori Koen	Sapporo-shi, Hokkaido	1,850.20	53	530,000	0.7	1st FP
	Presence S1	Sapporo-shi, Hokkaido	1,148.72	36	322,000	0.4	1st FP
	PRIME URBAN Miyanosawa (tentative name)	Sapporo-shi, Hokkaido	2,114.53	54	576,200	0.8	3rd FP
	PRIME URBAN Maruyama (tentative name)	Sapporo-shi, Hokkaido	911.07	27	283,200	0.4	3rd FP
	PRIME URBAN Kanayama (tentative name)	Nagoya-shi, Aichi	1,391.02	58	632,000	0.9	3rd FP
	Sub Total (6 Properties)		9,277.10	288	3,025,400	4.1	
	Total (16 Properties)		25,387.97	888	15,817,400	21.5	

[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 (82 Properties)	97,066.25	4,002	67,488,000	91.9
Other Areas (11 Properties)	16,103.44	508	5,924,400	8.1
Total (93 Properties)	113,169.69	4,510	73,412,400	100.0

(Note 1) "Greater Tokyo Area" refers to the metropolis of Tokyo and the three surrounding prefectures, Kanagawa, Chiba and Saitama.
"Other Areas" refer to the three major metropolitan areas, excluding Tokyo, and other major cities throughout Japan, including government designated cities.

(Note 2) "Leasable Floor Area" refers to the area entered in the Lease Agreement and calculated from the as-built drawings, not from the real estate registry. As a result, the sum of Leasable Floor Area may exceed the total floor area.

(Note 3) "Acquisition Price" refers to the amount entered in the Sales Contract of Real Estate or Trust Beneficiary Rights, or the Conditional Sales Contract, and does not include the expenses in the acquisition, such as trading intermediate fees, taxes and public dues.

(Note 4) "Percentage of Total" refers to the acquisition price ratio of each property, based on the acquisition price.

(Note 5) "Acquired Period" "Acquiring Period" refers to the Fund's fiscal period in which the acquisition, or the scheduled acquisition, of each property is completed, or scheduled to be completed.

First Fiscal Period: August 3, 2006 to May 31, 2007

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

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

(Reference Material 3)

Property Image

PRIME URBAN Kanayama (tentative name)



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