



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 agreed on with the seller, the acquisition of real estate, as briefly explained below.

1. Summary of the Assets

(1) PRIME URBAN Hokudaimae (tentative name)

Type of Asset	Real estate
Property Name	PRIME URBAN Hokudaimae (tentative name)
Acquisition Price	¥600,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	April 13, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	February 29, 2008 (date of delivery of the real estate)
Seller	Hisasue Koshin Kensetsu Co., Ltd. (refer to “6. Seller Profile” below)
Financing	To be determined
Form of Payment	Payment in full at the time of purchase

(2) PRIME URBAN Kita Nijyuyo Jo (tentative name)

Type of Asset	Real estate
Property Name	PRIME URBAN Kita Nijyuyo Jo (tentative name)
Acquisition Price	¥503,700 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	April 13, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	February 29, 2008 (date of delivery of the real estate)

Seller	Escrow Real Estate Co., Ltd. (refer to “6. Seller Profile” below)
Financing	To be determined
Form of Payment	Payment in full at the time of purchase

(3) PRIME URBAN Odori Higashi (tentative name)

Type of Asset	Real estate
Property Name	PRIME URBAN Odori Higashi (tentative name)
Acquisition Price	¥424,000 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	April 13, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	February 29, 2008 (date of delivery of the real estate)
Seller	Hisasue Koshin Kensetsu Co., Ltd. (refer to “6. Seller Profile” below)
Financing	To be determined
Form of Payment	Payment in full at the time of purchase

(4) PRIME URBAN Chiji Koukan (tentative name)

Type of Asset	Real estate
Property Name	PRIME URBAN Chiji Koukan (tentative name)
Acquisition Price	¥337,900 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	April 13, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	February 29, 2008 (date of delivery of the real estate)
Seller	Hisasue Koshin Kensetsu Co., Ltd. (refer to “6. Seller Profile” below)
Financing	To be determined
Form of Payment	Payment in full at the time of purchase

(5) PRIME URBAN Odori Minami (tentative name)

Type of Asset	Real estate
Property Name	PRIME URBAN Odori Minami (tentative name)
Acquisition Price	¥731,600 thousand (excluding acquisition related costs, fixed asset taxes, urban planning taxes, consumption taxes and local consumption taxes)
Date of Agreement	April 13, 2007 (date of agreement on purchase and sale of the real estate)
Scheduled Date of Acquisition	March 31, 2008 (date of delivery of the real estate)
Seller	Hisasue Koshin Kensetsu Co., Ltd. (refer to “6. Seller Profile” below)
Financing	To be determined
Form of Payment	Payment in full at the time of purchase

2. Reason for Acquisition

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

(1) PRIME URBAN Hokudaimae (tentative name)

- This property is located within a 10-minute walking distance of three train stations, Kita Jusanjo Higashi Station on the Sapporo Municipal Subway Toho Line (4 minutes), Kita Juni Jo Station on the Nanboku Line (7 minutes) and Sapporo Station on the JR Gakuen Toshi Line, Chitose Line and the Hakodate Main Line (9 minutes), and has excellent access, not only in Sapporo, but also towards the Otaru and New Chitose Airport areas.
- As this property is an 8-minute walk from Hokkaido University (“Hokudai”), the Fund is able to expect not only constant demand from students and administrative staff of Hokudai, but also appealing to single adults, with the walk to Sapporo Station only 9 minutes, making easy access to the business areas.
- This property’s room layouts consist of 5 room types (1K, 1DK, 1LDK), all approximately 30 sq. meters, including interior accommodations and specifications, and has the merchantability to adapt to various styles of living.

(2) PRIME URBAN Kita Nijuyo Jo (tentative name)

- This property is a 6-minute walk from Kita Nijuyo Jo Station on the Sapporo Municipal Subway Nanboku Line, and has excellent access to Sapporo Station (5 minutes) and Odori Station (7 minutes), the main commercial and business center of Sapporo.
- Three sides, south, west and east parts of this property’s premises face the road (a public road, all of which are over 6 meters in width), and as it is surrounded by low-rise residences, it has an excellent view and plenty of sunlight.
- This property consists of 4 different types of 2LDK room layouts, all are corner rooms with excellent natural lighting and independency, and as the building geometry is designed in a distinctive semi circle shape, it has competitive merchantability.
- As stated above, the Fund expects steady demand from DINKs and young families who look for a convenient commute and comfortable livability.

(3) PRIME URBAN Odori Higashi (tentative name)

- This property is a 5-minute walk from Bus Center Mae Station on the Sapporo Municipal Subway Tozai Line, and adding to the convenience of having Odori Station, a business and commercial center, only one station away on the Tozai Line, it is also possible to take the underpass to the Odori area on foot.
- Located only a 15 to 20-minute walk to the inner city with large scale commercial facilities such as Marui Imai Sapporo Main Store, Sapporo Mitsukoshi, Sapporo Parco, etc., this property is also walking distance (5 minutes) from Sapporo Factory, a multi-commercial facility consisting of a shopping mall and a multiplex, etc., giving the location an excellent living convenience.
- This property consists of 4 types of room layouts (1LDK, 2LDK), and adding to that are the exterior design (tile type) and interior specifications that meet the standard needs of a wide range of tenants.
- As stated above, the Fund expects steady demand from primarily single adults and DINKs, who focus on the convenience of the urban property.

(4) PRIME URBAN Chiji Koukan (tentative name)

- This property is a 9-minute walk from Nishi Juhachi Jo Station on the Sapporo Municipal Subway Tozai Line, and is two stations (4 minutes) from the Odori Station on the Tozai Line, an easy access to the center of the city.
- This property is located in a quiet residential area near an educational district, with schools such as Sapporo Medical University and other vocational schools in the surrounding area, and roadside trees have been maintained on the south side, with the governor’s office and the Hokkaido Museum of Modern Art also nearby, and the Fund can expect demand from university and vocational school students.

- This property consists of 5 different 1K room layouts that can accommodate a variety of lifestyles, and the corner room has a spacious open-view bathroom, which ensures to differentiate the merchantability.
- As stated above, the Fund expects steady demand from mainly university and vocational school students, and also single adults who commute into the city.

(5) PRIME URBAN Odori Minami (tentative name)

- This property is accessible to two lines and three stations, an 11-minute walk from Nishi Juitchome Station on the Sapporo Municipal Subway Tozai Line, a 6-minute walk from Nishisen Juroku Jo Station and a 7-minute walk from Nishi Jugo Chome Station, both on the Sapporo City Street Car Line, and has convenient transportation to the inner city, with only one station from Odori Station (2 minutes) on the Tozai Line.
- Large-scale medical facilities such as Sapporo Medical University Hospital and NTT East Japan Sapporo Hospital, etc. are concentrated in the surrounding area of this property, and all the facilities are accessible within a 10 minute walk, which can expect demand from personnel of the medical facilities.
- This property uses a rectangular premises geometry, with a 10 meter wide low-volume public road on the west side, to its fullest extent by accommodating a 40 meter distance from the front of the building to the other side of the road, a land plan in consideration of sunlight and openness.  
This property consists of a variety of 5 room layouts (1LDK, 2LDK, 3LDK), and with quality specifications and accommodations, it has a merchantability that appeals to a wide range of tenants.
- As stated above, the Fund expects steady demand from a wide range of singles, DINKs and families that commute to the surrounding medical facilities or inner city.

As these five properties are still under construction and scheduled to be completed in February/ 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

(1) PRIME URBAN Hokudaimae (tentative name)

Property Name		PRIME URBAN Hokudaimae (tentative name)
Type of Asset		Real Estate
Location (Note 1)	Registry	9-24 Higashi 1-Chome Kita 11-Jo, Higashi-ku Sapporo-shi, Hokkaido
	Street Address	(Note 2)
Access		4-minute walk from Kita Jusanjo Higashi Station on the Sapporo Municipal Subway Toho Line, a 7-minute walk from Kita Juni Jo Station on the Nanboku Line, and a 9-minute walk from Sapporo Station on the JR Gakuen Toshi Line, the Chitose Line and the Hakodate Main Line.
Land	Ownership	Ownership
	Area (Note 1)	642.64 sq. meters

	Building Coverage	80%			
	Floor Area Ratio	300%			
Building	Ownership	Ownership			
	Use (Note 1)	Apartment building			
	Completion Date (Note 1)	February 2008 (scheduled date)			
	Total Floor Area (Note 1)	2,408.06 sq. meters			
	Structure (Note 1)	RC, 10F			
	Leasable Units (Note 1)	60 Units (under 30 sq. meters: 9 units, 30-50 sq. meters: 51 units)			
Property Management Company		To be determined			
Master Leasing Company		To be determined			
Type of Master Lease (Note 3)		Pass-through Structure (Scheduled)			
Collateral		None			
Notes		None			
Acquisition Price		¥600,000 thousand			
Price Survey (Note 4)	Survey Method	Price survey by HIRO & REAS Network, Inc.			
	Survey Value	¥605,000 thousand			
	Survey Date	April 6, 2007			
Estimated NOI (Note 5)		¥36,995 thousand			
Leasing Status (as of April 13, 2007) (Note 6)					
Total Number of Tenants	—				
Total Rental Income	—				
Security Deposits	—				
Occupancy Rate	—				
Total Leased Floor Area	—				
Total Leasable Floor Area (Note 1)	1,851.39 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 (Registry) 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) 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 4) Price Survey

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

(Note 5) 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 the 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 6) Lease Status

As the property is still under construction, no lease agreements have been executed with tenants.

## (2) PRIME URBAN Kita Nijuyo Jo (tentative name)

Property Name		PRIME URBAN Kita Nijuyo Jo (tentative name)				
Type of Asset		Real Estate				
Location (Note 1)	Registry	304-60 Higashi 1-Chome Kita 23-Jo, Higashi-ku Sapporo-shi, Hokkaido				
	Street Address	(Note 2)				
Access		6-minute walk from Kita Nijuyo Jo Station on the Sapporo Municipal Subway Nanboku Line.				
Land	Ownership	Ownership				
	Area (Note 1)	928.54 sq. meters				
	Building Coverage	70% (Note 3)				
	Floor Area Ratio	200%				
Building	Ownership	Ownership				
	Use (Note 1)	Apartment building				
	Completion Date (Note 1)	February 2008 (scheduled date)				
	Total Floor Area (Note 1)	2,260.47 sq. meters				
	Structure (Note 1)	RC, 10F				
	Leasable Units (Note 1)	36 Units (30-50 sq. meters: 36 units)				
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		¥503,700 thousand				
Price Survey (Note 5)	Survey Method	Price survey by HIRO & REAS Network, Inc.				
	Survey Value	¥508,000 thousand				
	Survey Date	April 6, 2007				
Estimated NOI (Note 6)		¥32,747 thousand				
Leasing Status (as of April 13, 2007) (Note 7)						
Total Number of Tenants		—				
Total Rental Income		—				
Security Deposits		—				
Occupancy Rate		—				
Total Leased Floor Area		—				
Total Leasable Floor Area (Note 1)		1,773.90 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 (Registry) 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 quasi-industrial 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 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 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 the 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.

(3) PRIME URBAN Odori Higashi (tentative name)

Property Name		PRIME URBAN Odori Higashi (tentative name)
Type of Asset		Real Estate
Location (Note 1)	Registry	12-63 Higashi 7-Chome Odori, Chuo-ku Sapporo-shi, Hokkaido
	Street Address	(Note 2)
Access		5-minute walk from Bus Center Mae Station on the Sapporo Municipal Subway Tozai Line.
Land	Ownership	Ownership
	Area (Note 1)	529.93 sq. meters
	Building Coverage	80%
	Floor Area Ratio	300%
Building	Ownership	Ownership
	Use (Note 1)	Apartment building
	Completion Date (Note 1)	February 2008 (scheduled date)
	Total Floor Area (Note 1)	1,895.72 sq. meters
	Structure (Note 1)	RC, 10F
	Leasable Units (Note 1)	36 Units (30-50 sq. meters: 36 units)
Property Management Company		To be determined
Master Leasing Company		To be determined
Type of Master Lease (Note 3)		Pass-through Structure (Scheduled)
Collateral		None
Notes		None
Acquisition Price		¥424,000 thousand
Price Survey (Note 4)	Survey Method	Price survey by HIRO & REAS Network, Inc.
	Survey Value	¥425,000 thousand
	Survey Date	April 6, 2007
Estimated NOI (Note 5)		¥27,329 thousand
Leasing Status (as of April 13, 2007) (Note 6)		
Total Number of Tenants	—	
Total Rental Income	—	
Security Deposits	—	
Occupancy Rate	—	
Total Leased Floor Area	—	
Total Leasable Floor Area (Note 1)	1,494.36 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 (Registry) 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) 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 4) Price Survey

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

(Note 5) 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 the 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 6) Lease Status

As the property is still under construction, no lease agreements have been executed with tenants.

(4) PRIME URBAN Chiji Koukan (tentative name)

Property Name		PRIME URBAN Chiji Koukan (tentative name)
Type of Asset		Real Estate
Location (Note 1)	Registry	1-12 Nishi 17-Chome Kita 4-Jo, Chuo-ku Sapporo-shi, Hokkaido
	Street Address	(Note 2)
Access		9-minute walk from Nishi Juhatchome Station on the Sapporo Municipal Subway Tozai Line.
Land	Ownership	Ownership
	Area (Note 1)	269.14 sq. meters
	Building Coverage	90% (Note 3)
	Floor Area Ratio	400%
Building	Ownership	Ownership
	Use (Note 1)	Apartment building
	Completion Date (Note 1)	February 2008 (scheduled date)
	Total Floor Area (Note 1)	1,478.75 sq. meters
	Structure (Note 1)	RC, 8F
	Leasable Units (Note 1)	42 Units (under 30 sq. meters: 42 units)
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		¥337,900 thousand
Price Survey	Survey Method	Price survey by HIRO & REAS Network, Inc.
	Survey Value	¥342,000 thousand



(Note 5)	Survey Date	April 6, 2007				
	Estimated NOI (Note 6)	¥21,095 thousand				
Leasing Status (as of April 13, 2007) (Note 7)						
	Total Number of Tenants	—				
	Total Rental Income	—				
	Security Deposits	—				
	Occupancy Rate	—				
	Total Leased Floor Area	—				
	Total Leasable Floor Area (Note 1)	1,007.30 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 (Registry) 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 90%, as the property is a corner lot.

(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 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.

(5) PRIME URBAN Odori Minami (tentative name)

Property Name		PRIME URBAN Odori Minami (tentative name)
Type of Asset		Real Estate
Location (Note 1)	Registry	1325-11 Nishi 13-Chome Minami 4-Jo, Chuo-ku Sapporo-shi, Hokkaido
	Street Address	(Note 2)
Access		11-minute walk from Nishi Juitchome Station on the Sapporo Municipal Subway Tozai Line, 6-minute walk from Nishisen Roku Jo Station, 7-minute walk from Nishi Jugo Chome Station on the Sapporo City Street Car Line
Land	Ownership	Ownership
	Area (Note 1)	852.79 sq. meters
	Building Coverage	80%
	Floor Area Ratio	300%
Building	Ownership	Ownership

	Use (Note 1)	Apartment building				
	Completion Date (Note 1)	March 2008 (scheduled date)				
	Total Floor Area (Note 1)	2,813.72 sq. meters				
	Structure (Note 1)	RC, 15F				
	Leasable Units (Note 1)	58 Units (30-50 sq. meters: 43 units, 50-70 sq. meters: 15 units)				
Property Management Company		To be determined				
Master Leasing Company		To be determined				
Type of Master Lease (Note 3)		Pass-through Structure (Scheduled)				
Collateral		None				
Notes		None				
Acquisition Price		¥731,600 thousand				
Appraisal (Note 4)	Appraisal Method	Price survey by HIRO & REAS Network, Inc.				
	Appraisal Value	¥736,000 thousand				
	Appraisal Date	April 6, 2007				
Estimated NOI (Note 5)		¥46,711 thousand				
Leasing Status (as of April 13, 2007) (Note 6)						
Total Number of Tenants		—				
Total Rental Income		—				
Security Deposits		—				
Occupancy Rate		—				
Total Leased Floor Area		—				
Total Leasable Floor Area (Note 1)		2,439.90 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 (Registry) 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) 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 4) Price Survey

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

(Note 5) 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 6) Lease Status

As the property is still under construction, no lease agreements have been executed with tenants.

#### 4. Building Condition Appraisal Report Summary

	PRIME URBAN Hokudaimae (Tentative name)	PRIME URBAN Kita Nijuyo Jo (Tentative name)
Building Condition Appraisal Report Issuer	Takenaka Corporation	Takenaka Corporation
Building Condition Appraisal Report Issue Date	April 5, 2007	April 5, 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)	¥14,790 thousand	¥13,910 thousand
Earthquake Risk Analysis (PML) (Note 4)	3.3%	5.9%

	PRIME URBAN Odori Higashi (Tentative name)	PRIME URBAN Chiji Koukan (Tentative name)
Building Condition Appraisal Report Issuer	Takenaka Corporation	Takenaka Corporation
Building Condition Appraisal Report Issue Date	April 5, 2007	April 5, 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)	¥12,020 thousand	¥11,040 thousand
Earthquake Risk Analysis (PML) (Note 4)	4.5%	4.3%

	PRIME URBAN Odori Minami (Tentative name)
Building Condition Appraisal Report Issuer	Takenaka Corporation
Building Condition Appraisal Report Issue Date	April 5, 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)	¥20,880 thousand
Earthquake Risk Analysis (PML) (Note 4)	7.5%

(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 the evaluation agency for the five 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 calculations have an earthquake resistance capacity that complies with the Building Standard Law.”

Property Name	Architect	Contractor	Building Permit Agency (Note)	Evaluation Agency
PRIME URBAN Hokudaimae (tentative name)	Presence Inc.	Hisasue Koushin Kensetsu Co., Ltd.	City of Sapporo	AXIS SATOW INC.
PRIME URBAN Kita Nijuyo Jo (tentative name)	Rui Kikaku Sekkei Co., Ltd.	Hisasue Koushin Kensetsu Co., Ltd.	City of Sapporo	AXIS SATOW INC.
PRIME URBAN Odori Higashi (tentative name)	Presence Inc.	Hisasue Koushin Kensetsu Co., Ltd.	City of Sapporo	AXIS SATOW INC.
PRIME URBAN Chiji Koukan (tentative name)	Presence Inc.	Hisasue Koushin Kensetsu Co., Ltd.	City of Sapporo	Yamashita Sekkei INC.
PRIME URBAN Odori Minami (tentative name)	Presence Inc.	Hisasue Koushin Kensetsu Co., Ltd.	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

### (1) Hisasue Koushin Kensetsu Co., Ltd.

Properties: PRIME URBAN Hokudaimae (tentative name),  
PRIME URBAN Odori Higashi (tentative name),  
PRIME URBAN Chiji Koukan (tentative name),  
PRIME URBAN Odori Minami (tentative name)

Company Name	Hisasue Koushin Kensetsu Co., Ltd.
Head Office	6-17 2-Chome Hassamu 10-Jo, Nishi-ku Sapporo-shi, Hokkaido
Representative	Mitsuhiro Nagoya, Executive Director
Capital	¥22,500 thousand (as of April 13, 2007)
Principal Shareholder	Hiromitsu Nagoya
Principal Business	<ol style="list-style-type: none"> <li>1. Proposal, design, execution and supervision of civil engineering and construction</li> <li>2. Proposal, design, execution and supervision of building interior finishing, landscaping and exterior construction</li> <li>3. Proposal, design, execution and supervision of air conditioning, plumbing, electric and gas installments and road heating construction</li> <li>4. construction</li> <li>5. Design, manufacture and distribution of furniture and interior goods</li> <li>6. Distribution of civil engineering and construction materials</li> <li>7. Leasing, purchase and sale, brokerage, conciliation and management of real estate</li> <li>8. Financing and loan facilitation, guarantees and vicarious execution business</li> <li>9. Various casualty insurance agency businesses</li> </ol> <p>Any business incidental to the items mentioned above</p>
Relationship with the Fund and/or NREAM	None

(2) Escrow Real Estate Co., Ltd.

Property: PRIME URBAN Kita Nijuyo Jo

Company Name	Escrow Real Estate Co., Ltd.
Head Office	Kita 1-Jo Building, 3 Nishi 5-Chome Kita 1-Jo, Chuo-ku Sapporo-shi, Hokkaido
Representative	Hiroshi Yanagisawa, Executive Director
Capital	¥20,000 thousand (as of April 13, 2007)
Principal Shareholder	Hiroshi Yanagisawa
Principal Business	1. Purchase and sale, leasing, management and conciliation of real estate 2. Consulting business regarding the effective utilization and management plans of real estate
Relationship with the Fund and/or NREAM	None

#### 7. Broker Profile

Properties: PRIME URBAN Hokudaimae (tentative name),  
PRIME URBAN Odori Higashi (tentative name),  
PRIME URBAN Chiji Koukan (tentative name),  
PRIME URBAN Odori Minami (tentative name)

Broker	Escrow Real Estate Co., Ltd.
Relationship with the Fund and/ or NREAM	None
Commission	Due to the confidentiality obligation appointed in the brokerage contract, this information is not disclosed.

Also, no brokers were involved in the transaction of PRIME URBAN Kita Nijuyo Jo.

#### 8. Forecasts

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

Attachments:

Reference Material 1 “Price Survey Summary”

Reference Material 2 “Portfolio After Acquisition of the Properties”

Reference Material 3 “Property Image”

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## Price Survey Summary

Property Name	PRIME URBAN Hokudaimae (tentative name)
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Appraisal Value	¥605,000,000
Appraisal Agency	HIRO & REAS Network, Inc.
Appraisal Date	April 6, 2007

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	605,000,000	Using the value calculated by means of the Direct Capitalization Method as a reference, a value using the Discounted Cash Flow Method was adopted.
Value using the Direct Capitalization Method	624,000,000	Calculated by reducing the cap rate, using the second year net cash flow relating to the DCF method (excluding long term repair expenses, which use the 5-10 year average).
(1) Gross Income	45,862,428	
Rental Income: (a)-(b)	42,214,428	
(a) Potential Rental Income	44,436,240	Appraisal based on the standard market rent.
(b) Vacancy Loss, etc.	2,221,812	Appraisal based on the market vacancy ratio.
Parking Lot Income	3,648,000	Appraisal based on the standard market rent.
(2) Total Expenses	8,866,621	
Maintenance Expenses	1,975,200	Appraisal based on the estimated amount.
Operation Management Fees	1,375,873	Appraisal based on the estimated amount.
Utility Expenses	458,624	Appraisal based on performance of other properties.
Restitution Expense	211,072	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
Insurance Fees	395,840	Appraisal based on performance of other properties.
Tax and Public Dues	4,220,700	Appraisal based on the fixed asset value confirmation document.
Other Expenses	229,312	Appraisal based on performance of other properties.
(3) Leasing Net Operating Income (NOI=(1)-(2))	36,995,807	
(4) Annual Funding for Large Scale Repair Costs	2,048,333	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
(5) Standardized Net Cash Flow (NCF=(3)-(4))	34,947,474	
(6) Capitalization Rate	5.6%	Appraisal based on the regional and 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	605,000,000	
Discount Rate	5.6%	
Final Capitalization Rate	5.9%	
Cost Approach Value	546,000,000	
Land Ratio	27.5%	
Building Ratio	72.5%	

Items applied to adjustments in value calculations and to the determination of the appraisal value	The property is within walking distance to the inner city's major facilities such as Sapporo Station and various schools, including Hokudai, and it is an area that has not only high rental demand from single adults, but also residential demand from families who prefer living close to the city. The said property is a new condominium scheduled to be completed and from the location conditions and the quality of the building, it has demand from younger people who are inclined to start urban living, and therefore, stable operations can be expected. The appraisal value was determined in light of the above factors.
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(Note) In the Appraisal Report, the real estate appraiser has assessed the appraisal value relying on the standard valuation method, on the appraisal date, assuming that the building will be completed as scheduled.

## Price Survey Summary

Property Name	PRIME URBAN Kita Nijuyo Jo (tentative name)
Appraisal Value	¥508,000,000
Appraisal Agency	HIRO & REAS Network, Inc.
Appraisal Date	April 6, 2007

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	508,000,000	Using the value calculated by means of the Direct Capitalization Method as a reference, a value using the Discounted Cash Flow Method was adopted.
Value using the Direct Capitalization Method	538,000,000	Calculated by reducing the cap rate, using the second year net cash flow relating to the DCF method (excluding long term repair expenses, which use the 5-10 year average).
(1) Gross Income	38,816,578	
Rental Income: (a)-(b)	34,587,178	
(a) Potential Rental Income	36,407,556	Appraisal based on the standard market rent.
(b) Vacancy Loss, etc.	1,820,378	Appraisal based on the market vacancy ratio.
Parking Lot Income	4,229,400	Appraisal based on the standard market rent.
(2) Total Expenses	6,068,644	
Maintenance Expenses	1,409,760	Appraisal based on the estimated amount.
Operation Management Fees	1,164,497	Appraisal based on the estimated amount.
Utility Expenses	388,166	Appraisal based on performance of other properties.
Restitution Expense	103,762	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
Insurance Fees	376,076	Appraisal based on performance of other properties.
Tax and Public Dues	2,432,300	Appraisal based on the fixed asset value confirmation document.
Other Expenses	194,083	Appraisal based on performance of other properties.
(3) Leasing Net Operating Income (NOI=(1)-(2))	32,747,934	
(4) Annual Funding for Large Scale Repair Costs	2,068,333	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
(5) Standardized Net Cash Flow (NCF=(3)-(4))	30,679,601	
(6) Capitalization Rate	5.7%	Appraisal based on the regional and 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	508,000,000	
Discount Rate	5.7%	
Final Capitalization Rate	6.0%	
Cost Approach Value	487,000,000	
Land Ratio	22.8%	
Building Ratio	77.2%	

Items applied to adjustments in value calculations and to the determination of the appraisal value	The nearest station to the property, Kita Nijuyo Jo Station on the Nanboku Line, has public facilities such as the Kita-ku Ward Office nearby, with a concentration of a variety of commercial facilities, one of the main commercial cores in Kita-ku. The area surrounding the property was originally a combination of low-rise sales offices and residences, but as the area has a high livability convenience, in recent years residential facilities have gradually increased. The said property is a new condominium scheduled to be finished and the quality is recognized as having a relative advantage over property in the surrounding area, and is expected to have stable operations in the future. The appraisal value was determined in light of the above factors.
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(Note) In the Appraisal Report, the real estate appraiser has assessed the appraisal value relying on the standard valuation method, on the appraisal date, assuming that the building will be completed as scheduled.

Price Survey Summary

Property Name	PRIME URBAN Odori Higashi (tentative name)
Appraisal Value	¥425,000,000
Appraisal Agency	HIRO & REAS Network, Inc.
Appraisal Date	April 6, 2007

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	425,000,000	Using the value calculated by means of the Direct Capitalization Method as a reference, a value using the Discounted Cash Flow Method was adopted.
Value using the Direct Capitalization Method	453,000,000	Calculated by reducing the cap rate, using the second year net cash flow relating to the DCF method (excluding long term repair expenses, which use the 5-10 year average).
(1) Gross Income	33,241,659	
Rental Income: (a)-(b)	30,471,459	
(a) Potential Rental Income	32,075,220	Appraisal based on the standard market rent.
(b) Vacancy Loss, etc.	1,603,761	Appraisal based on the market vacancy ratio.
Parking Lot Income	2,770,200	Appraisal based on the standard market rent.
(2) Total Expenses	5,911,843	
Maintenance Expenses	1,980,000	Appraisal based on the estimated amount.
Operation Management Fees	997,250	Appraisal based on the estimated amount.
Utility Expenses	332,417	Appraisal based on performance of other properties.
Restitution Expense	121,886	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
Insurance Fees	317,382	Appraisal based on performance of other properties.
Tax and Public Dues	1,996,700	Appraisal based on the fixed asset value confirmation document.
Other Expenses	166,208	Appraisal based on performance of other properties.
(3) Leasing Net Operating Income (NOI=(1)-(2))	27,329,816	
(4) Annual Funding for Large Scale Repair Costs	1,536,667	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
(5) Standardized Net Cash Flow (NCF=(3)-(4))	25,793,149	
(6) Capitalization Rate	5.7%	Appraisal based on the regional and 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	425,000,000	
Discount Rate	5.7%	
Final Capitalization Rate	6.0%	
Cost Approach Value	408,000,000	
Land Ratio	23.3%	
Building Ratio	76.7%	

Items applied to adjustments in value calculations and to the determination of the appraisal value	The property has the advantages of being near the city and livability convenience, and is changing into a medium to high residential facility area. The said property is a new rental condominium scheduled to be completed and from the location conditions and the quality of the building, it has demand from younger people who are inclined to start urban living, and therefore, stable operations can be expected. At the same time, in recent years, urban closeness and living conveniences have been re-evaluated and the distribution of condominiums for sale has increased, and new development of rental condominiums can also be seen. The appraisal value was determined in light of the above factors.
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(Note) In the Appraisal Report, the real estate appraiser has assessed the appraisal value relying on the standard valuation method, on the appraisal date, assuming that the building will be completed as scheduled.



## Price Survey Summary

Property Name	PRIME URBAN Chiji Koukan (tentative name)
Appraisal Value	¥342,000,000
Appraisal Agency	HIRO & REAS Network, Inc.
Appraisal Date	April 6, 2007

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	342,000,000	Using the value calculated by means of the Direct Capitalization Method as a reference, a value using the Discounted Cash Flow Method was adopted.
Value using the Direct Capitalization Method	351,000,000	Calculated by reducing the cap rate, using the second year net cash flow relating to the DCF method (excluding long term repair expenses, which use the 5-10 year average).
(1) Gross Income	26,904,616	
Rental Income: (a)-(b)	24,829,816	
(a) Potential Rental Income	26,136,648	Appraisal based on the standard market rent.
(b) Vacancy Loss, etc.	1,306,832	Appraisal based on the market vacancy ratio.
Parking Lot Income	2,074,800	Appraisal based on the standard market rent.
(2) Total Expenses	5,808,733	
Maintenance Expenses	1,550,160	Appraisal based on the estimated amount.
Operation Management Fees	807,138	Appraisal based on the estimated amount.
Utility Expenses	269,046	Appraisal based on performance of other properties.
Restitution Expense	173,809	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
Insurance Fees	249,557	Appraisal based on performance of other properties.
Tax and Public Dues	2,624,500	Appraisal based on the fixed asset value confirmation document.
Other Expenses	134,523	Appraisal based on performance of other properties.
(3) Leasing Net Operating Income (NOI=(1)-(2))	21,095,883	
(4) Annual Funding for Large Scale Repair Costs	1,441,667	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
(5) Standardized Net Cash Flow (NCF=(3)-(4))	19,654,216	
(6) Capitalization Rate	5.6%	Appraisal based on the regional and 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	342,000,000	
Discount Rate	5.6%	
Final Capitalization Rate	5.9%	
Cost Approach Value	325,000,000	
Land Ratio	23.1%	
Building Ratio	76.9%	

<p>Items applied to adjustments in value calculations and to the determination of the appraisal value</p>	<p>The area around the property originally had many corporate office buildings and connecting parking lots, but recently it has become highly popular as a residential area for its favorable living atmosphere and the convenient urban closeness, and a stream of high rise condominiums have been built on the vacant building lots, a transition taking place for a high-rise residential facility area. Also, the property is a new condominium scheduled to be complete and from the location conditions and the quality of the building, it has demand from younger people who are inclined to start urban living, and therefore, stable operations can be expected. The appraisal value was determined in light of the above factors.</p>
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(Note) In the Appraisal Report, the real estate appraiser has assessed the appraisal value relying on the standard valuation method, on the appraisal date, assuming that the building will be completed as scheduled.

Price Survey Summary

Property Name	PRIME URBAN Odori Minami (tentative name)
Appraisal Value	¥736,000,000
Appraisal Agency	HIRO & REAS Network, Inc.
Appraisal Date	April 6, 2007

(Yen)

Item	Content	Basis
Income Capitalization Approach Value	736,000,000	Using the value calculated by means of the Direct Capitalization Method as a reference, a value using the Discounted Cash Flow Method was adopted.
Value using the Direct Capitalization Method	785,000,000	Calculated by reducing the cap rate, using the second year net cash flow relating to the DCF method (excluding long term repair expenses, which use the 5-10 year average).
(1) Gross Income	55,274,747	
Rental Income: (a)-(b)	51,022,456	
(a) Potential Rental Income	53,707,848	Appraisal based on the standard market rent.
(b) Vacancy Loss, etc.	2,685,392	Appraisal based on the market vacancy ratio.
Parking Lot Income	4,252,291	Appraisal based on the standard market rent.
(2) Total Expenses	8,562,852	
Maintenance Expenses	2,400,600	Appraisal based on the estimated amount.
Operation Management Fees	1,658,242	Appraisal based on the estimated amount.
Utility Expenses	552,747	Appraisal based on performance of other properties.
Restitution Expense	204,090	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
Insurance Fees	471,499	Appraisal based on performance of other properties.
Tax and Public Dues	2,999,300	Appraisal based on the fixed asset value confirmation document.
Other Expenses	276,374	Appraisal based on performance of other properties.
(3) Leasing Net Operating Income (NOI=(1)-(2))	46,711,895	
(4) Annual Funding for Large Scale Repair Costs	2,763,333	Appraisal based on the Building Condition Appraisal Report by Takenaka Corporation.
(5) Standardized Net Cash Flow (NCF=(3)-(4))	43,948,562	
(6) Capitalization Rate	5.6%	Appraisal based on the regional and 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	736,000,000	
Discount Rate	5.6%	
Final Capitalization Rate	5.9%	
Cost Approach Value	646,000,000	
Land Ratio	27.1%	
Building Ratio	72.9%	

Items applied to adjustments in value calculations and to the determination of the appraisal value	The property has the convenience of being located near the city and is in an area that in recent years has made the transition to a high-rise condominium area. The property is a new condominium scheduled to be completed and from the location conditions and the quality of the building, it has demand from younger people who are inclined to start urban living, and therefore stable operations can be expected. The appraisal value was determined in light of the above factors.
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(Note) In the Appraisal Report, the real estate appraiser has assessed the appraisal value relying on the standard valuation method, on the appraisal date, assuming that the building will be completed as scheduled.

## Portfolio After Acquisition of the Properties

## [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	1.4	1st FP
	PROUD FLAT Gakugei Daigaku	Meguro-ku, Tokyo	934.39	41	812,000	1.0	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	1.2	1st FP
	PRIME URBAN Tamachi	Minato-ku, Tokyo	1,107.36	48	941,000	1.2	1st FP
	PRIME URBAN Ebisu Minami	Shibuya-ku, Tokyo	881.89	21	947,000	1.2	1st FP
	PRIME URBAN Yoyogi	Shibuya-ku, Tokyo	439.56	19	408,000	0.5	1st FP
	PRIME URBAN Bancho	Chiyoda-ku, Tokyo	1,277.04	52	1,170,000	1.5	1st FP
	PRIME URBAN Chiyoda Fujimi	Chiyoda-ku, Tokyo	793.87	32	707,000	0.9	1st FP
	PRIME URBAN Iidabashi	Chiyoda-ku, Tokyo	2,087.70	90	2,030,000	2.6	1st FP
	PRIME URBAN Ebisu	Meguro-ku, Tokyo	1,444.40	29	1,200,000	1.5	1st FP
	PRIME URBAN Naka Meguro	Meguro-ku, Tokyo	1,302.42	49	1,320,000	1.7	1st FP
	PRIME URBAN Gakugei Daigaku	Meguro-ku, Tokyo	1,008.39	32	886,000	1.1	1st FP
	PRIME URBAN Senzoku	Meguro-ku, Tokyo	655.27	22	536,000	0.7	1st FP
	PRIME URBAN Nishi Shinjuku I	Shinjuku-ku, Tokyo	1,459.86	60	1,290,000	1.7	1st FP
	PRIME URBAN Nishi Shinjuku II	Shinjuku-ku, Tokyo	1,162.55	46	1,000,000	1.3	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	2.2	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	0.7	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	1.0	1st FP
	PRIME URBAN Monzen Nakacho	Koto-ku, Tokyo	3,127.94	117	2,200,000	2.8	1st FP
	PRIME URBAN Kameido	Koto-ku, Tokyo	1,117.34	52	705,000	0.9	1st FP
	PRIME URBAN Sumiyoshi	Koto-ku, Tokyo	813.52	40	552,000	0.7	1st FP
	PRIME URBAN Kinshi Koen	Sumida-ku, Tokyo	1,886.50	77	1,180,000	1.5	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	0.9	1st FP
	PRIME URBAN Kasai	Edogawa-ku, Tokyo	905.81	45	637,000	0.8	1st FP
	PRIME URBAN Kasai II	Edogawa-ku, Tokyo	1,437.84	68	958,000	1.2	1st FP
	PRIME URBAN Uravasu	Uravasu-shi, Chiba	1,264.84	60	840,000	1.1	1st FP
	PRIME URBAN Gyotoku I	Ichikawa-shi, Chiba	1,151.36	52	635,000	0.8	1st FP
	PRIME URBAN Gyotoku II	Ichikawa-shi, Chiba	1,244.00	58	741,000	1.0	1st FP
	PRIME URBAN Gyotoku 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	1.0	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	2.9	1st FP
	URBAN STAGE Naka Ochiai	Shinjuku-ku, Tokyo	1,237.98	18	655,000	0.8	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 Kamiuma	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	0.9	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	0.4	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	1.4	1st FP
URBAN STAGE Yukigaya	Ota-ku, Tokyo	1,536.59	94	970,000	1.2	1st FP	
URBAN STAGE Ikegami	Ota-ku, Tokyo	2,456.48	95	1,460,000	1.9	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	1.4	1st FP	
URBAN STAGE Komagome	Toshima-ku, Tokyo	990.18	19	412,000	0.5	1st FP	
URBAN STAGE Mukojima	Sumida-ku, Tokyo	1,108.91	55	487,000	0.6	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 Gyotoku I	Ichikawa-shi, Chiba	682.05	41	357,000	0.5	1st FP	
URBAN STAGE Minami Gyotoku II	Ichikawa-shi, Chiba	611.61	37	285,000	0.4	1st FP	
URBAN STAGE Minami Gyotoku III	Ichikawa-shi, Chiba	543.84	33	263,000	0.3	1st FP	
URBAN STAGE Minami Gyotoku 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	2.2	1st FP	
Sub Total (74 Properties)			82,600.83	3,443	55,644,000	71.6	

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	0.9	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	1.0	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	0.4	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
	Sub Total (7 Properties)		9,825.26	309	3,751,000	4.8	
	Total (81 Properties)		92,426.09	3,752	59,395,000	76.4	

[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	1.1	1st FP
	PROUD FLAT Meguro Gyoninzaka	Meguro-ku, Tokyo	855.26	40	882,000	1.1	1st FP
	PROUD FLAT Kagurazaka	Shinjuku-ku, Tokyo	1,793.43	70	1,540,000	2.0	1st FP
	PROUD FLAT Sangen Java	Setagaya-ku, Tokyo	1,277.82	48	1,350,000	1.7	1st FP
	PROUD FLAT Kamata	Ota-ku, Tokyo	1,541.64	67	1,140,000	1.5	1st FP
	PROUD FLAT Sumida Riverside	Chuo-ku, Tokyo	3,055.21	110	2,260,000	2.9	2nd FP
	PROUD FLAT Waseda	Shinjuku-ku, Tokyo	1,450.91	60	1,110,000	1.4	2nd FP
	PROUD FLAT Yokohama (tentative name)	Yokohama-shi, Kanagawa	3,118.12	113	2,340,000	3.0	3rd FP
	PRIME URBAN Hakusan	Bunkyo-ku, Tokyo	1,069.32	42	893,000	1.1	3rd FP
	Sub Total (9 Properties)		15,120.69	581	12,380,000	15.9	
Other Areas	PROUD FLAT Itsutsubashi	Sendai-shi, Miyagi	1,861.56	60	682,000	0.9	1st FP
	Benefis Hakata Grand Suite	Fukuoka-shi, Fukuoka	2,176.23	67	830,000	1.1	1st FP
	Benefis Yakuin Minami	Fukuoka-shi, Fukuoka	897.84	34	351,000	0.5	1st FP
	PRIME URBAN Hokudaimae (tentative name)	Sapporo-shi, Hokkaido	1,851.39	60	600,000	0.8	3rd FP
	PRIME URBAN Kita Nijuyo Jo (tentative name)	Sapporo-shi, Hokkaido	1,773.90	36	503,700	0.6	3rd FP
	PRIME URBAN Miyanosawa (tentative name)	Sapporo-shi, Hokkaido	2,114.53	54	576,200	0.7	3rd FP
	PRIME URBAN Odori Higashi (tentative name)	Sapporo-shi, Hokkaido	1,494.36	36	424,000	0.5	3rd FP
	PRIME URBAN Chiji Koukan (tentative name)	Sapporo-shi, Hokkaido	1,007.30	42	337,900	0.4	3rd FP
	PRIME URBAN Maruyama (tentative name)	Sapporo-shi, Hokkaido	911.07	27	283,200	0.4	3rd FP
	PRIME URBAN Odori Minami (tentative name)	Sapporo-shi, Hokkaido	2,439.90	58	731,600	0.9	3rd FP
	PRIME URBAN Kanavama (tentative name)	Nagoya-shi, Aichi	1,391.02	58	632,000	0.8	3rd FP
	Sub Total (11 Properties)		17,919.10	532	5,951,600	7.7	
	Total (20 Properties)		33,039.79	1,113	18,331,600	23.6	

[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 (83 Properties)	97,721.52	4,024	68,024,000	87.5
Other Areas (18 Properties)	27,744.36	841	9,702,600	12.5
Total (101 Properties)	125,465.88	4,865	77,726,600	100.0

(Note 1) "Great" 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

### 1. PRIME URBAN Hokudaimae (tentative name)



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



## Property Image

### 2. PRIME URBAN Kita Nijuyo Jo (tentative name)



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

## Property Image

### 3. PRIME URBAN Odori Higashi (tentative name)



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



## Property Image

### 4. PRIME URBAN Chiji Koukan (tentative name)



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



Property Image

5. PRIME URBAN (tentative name)



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