



NOMURA
Residential Fund

NOMURA RESIDENTIAL FUND

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.
Eighth Fiscal Period Financial Results
(ended November 2010)



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Highlights of the Eighth Fiscal Period



Eighth Fiscal Period (ended Nov. 30, 2010) Financial Statement Overview



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Financial Statement Overview

	7th Fiscal Period (ended May 2010)	8th Fiscal Period (ended Nov. 2010)	Difference (previous period)
Operating Revenues	¥4,323 million	¥4,466 million	+ 3.3 %
Operating Income	¥2,037 million	¥2,150 million	+ 5.5 %
Net Income	¥1,386 million	¥1,514 million	+ 9.3 %
Cash Distribution Per Unit	¥11,046	¥12,068	+ 9.3 %

[Difference in Forecasts and Results]

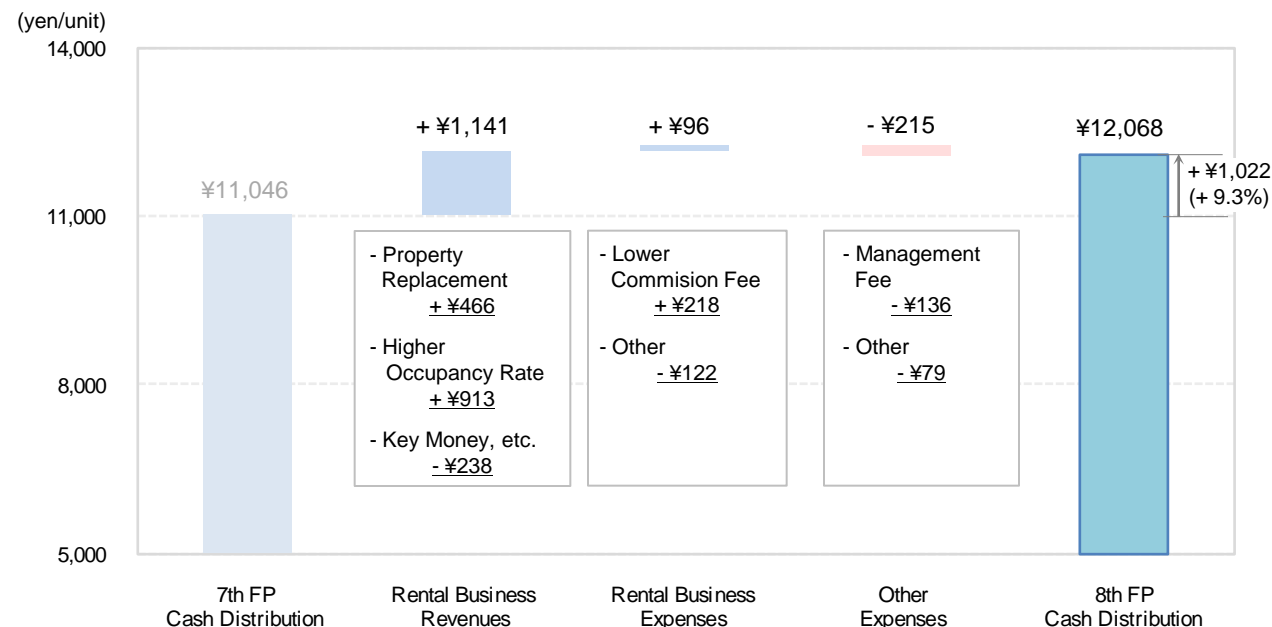
8th FP Forecast (released July 2010)	Difference (from forecast)
¥4,385 million	+ 1.8 %
¥2,115 million	+ 1.7 %
¥1,468 million	+ 3.1 %
¥11,700	+ 3.1 %

- Higher Occupancy Rates
Property Replacement + 2.4 %
- Interest Expense Decrease
Other + 0.7 %

[9th Fiscal Period Forecast]

9th FP Forecast (released Jan. 2011)	Difference (this period)
¥4,479 million	+ 0.3 %
¥2,130 million	- 0.9 %
¥1,501 million	- 0.9 %
¥11,960	- 0.9 %

Difference in Cash Distribution (7th Fiscal Period/8th Fiscal Period)



Implementation of Replacement Strategy

Acquisition: High Yield
Lower Average Building Age

Disposition: Low Yield
High Building Age

URBAN STAGE Kasai East



- Acquisition Price : ¥940 million
- NOI Yield : 6.3%
- Building Age : 4.8 years*
- Acquisition Date : Jan. 12, 2011

URBAN STAGE Yoga



- Acquisition Price : ¥1,150 million
- NOI Yield : 6.1%
- Building Age : 3.1 years*
- Acquisition Date : Aug. 20, 2010

URBAN STAGE Itabashi Kuyakushomae



- Acquisition Price : ¥940 million
- NOI Yield : 6.7%
- Building Age : 3.6 years*
- Acquisition Date : Jul. 8, 2010

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PORTFOLIO

145 properties
¥134.3 billion
(as of Jan. 12, 2011)

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URBAN STAGE Tennocho



- Disposition Price : ¥143 million
- Book Value : ¥134 million
- Building Age : 20.8 years*
- Disposition Date : Jul. 29, 2010

Status of Disposition

- Target Properties: Approx. 20 Properties
- Possible Buyers : Wealthy individuals, resale dealers, asset management companies, local real estate companies, general business corporations, etc.
- Current Status : Receive confidentiality agreement
Perform property viewings

*The "Building Age" stated above is the figure of each property at the time of acquisition/disposition.

Property Management

- Keep/Enhance Occupancy Rates Through Flexible Management

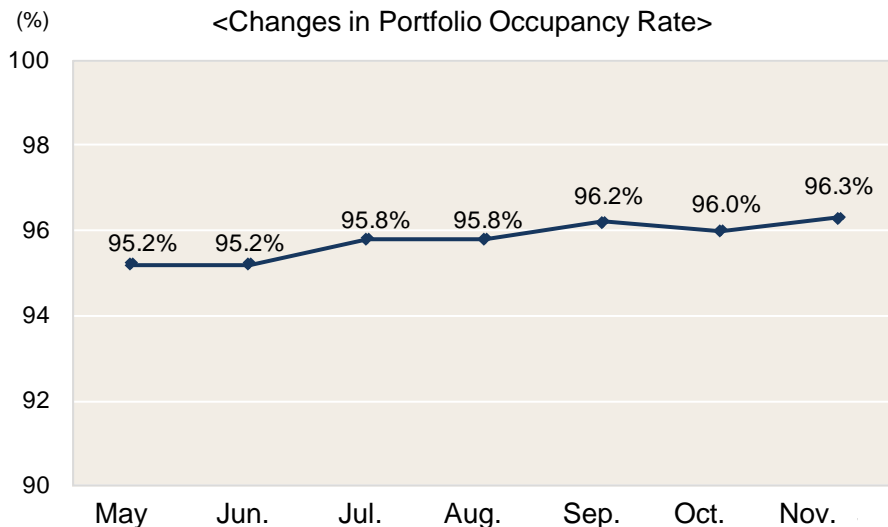
Portfolio Occupancy Rate : 95.2 % → 96.3 %
(7th FP) (8th FP)

- Enhance Market Competitiveness Through Renovations

PU Ebisu Minami : Building Entrance Renovation
US Asakusa : Unit Space Renovation

- Seek Internal Growth Opportunities

Increase in Profit : Vending Machine, Antennae etc. Installation
Curtail Expenses : Curtail Building Management Expenses



Finance

- Establish Sound Interest-bearing Debt Portfolio

Refinance : ¥9,096 million (Jul)
¥1,720 million (Sep)

Lender Diversification : 16 lenders (+1)

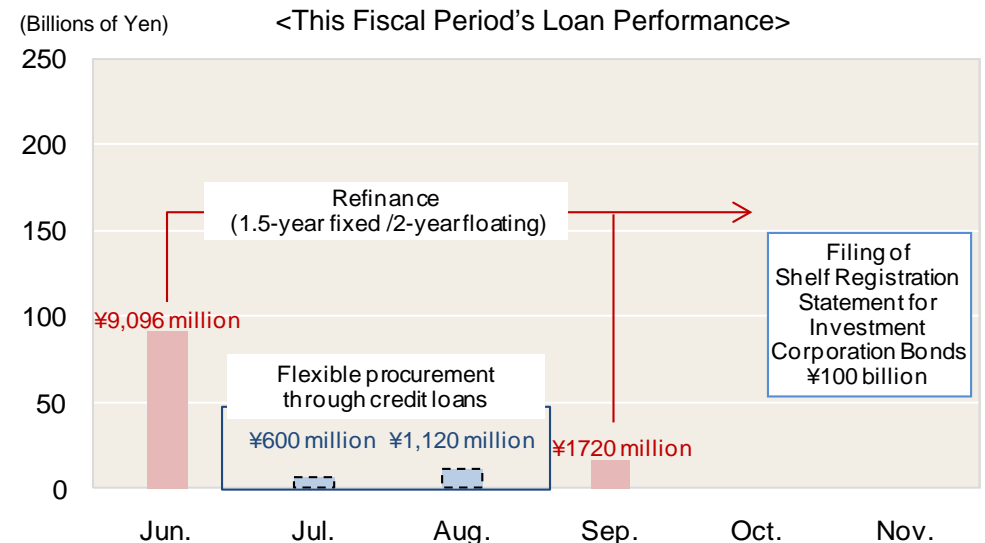
Filing of Shelf Registration Statement
for Investment Corporation Bond : ¥100 billion

- Financial Figures at 8th Fiscal Period End

LTV : 53.1%

Fixed Ratio : 74.8%

Long-term Debt Ratio : 73.2%





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Fund Management Summary



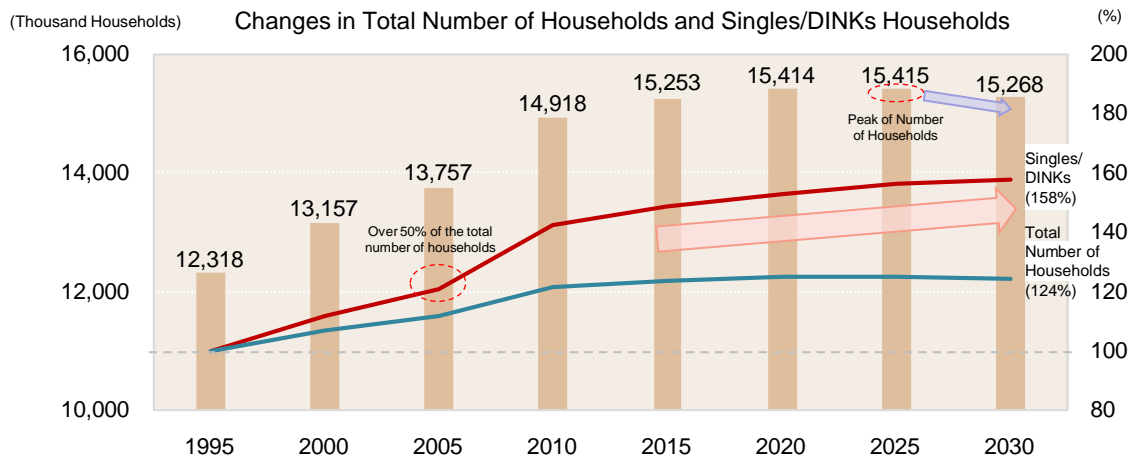
Current Status and Outlook of Rental Housing Market

(Changes in Number of Households/Population Inflow and Rental Housing Demand)



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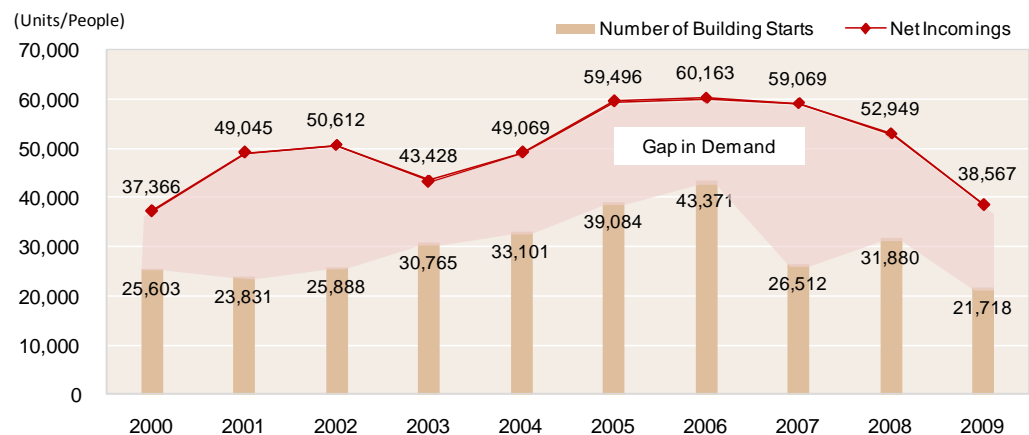
Changes in Number of Households (“Total” “Singles” “DINKs”) [Greater Tokyo Area]



- Households due to start decline in 2025
- Single and DINKs households will continue to increase
- Over 50% of the household ratio after 2005 are singles and DINKs households

⇒ Small households, such as singles/DINKs, will continue to steadily increase.

Changes in Number of Net Inflow and Rental Housing Under Construction [23 Wards of Tokyo]



- Excess population inflow will continue in Tokyo
- A demand/supply gap will potentially occur

⇒ Stable tenant demand

Current Status and Outlook of Rental Housing Market

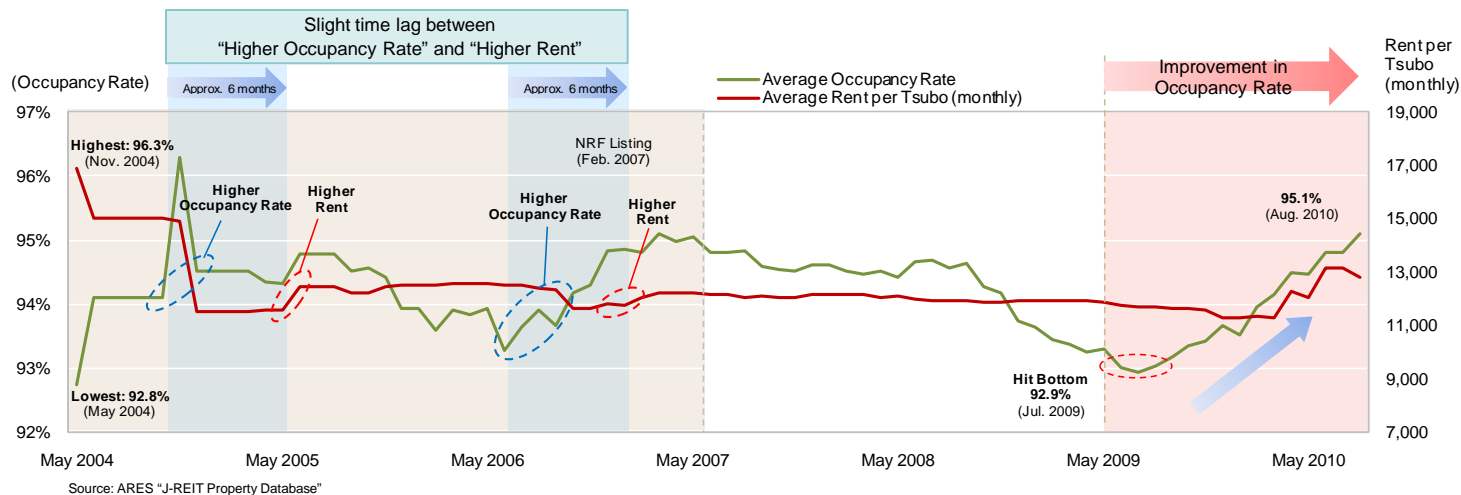
(Changes in Occupancy Rate/Rent and Economic Index)



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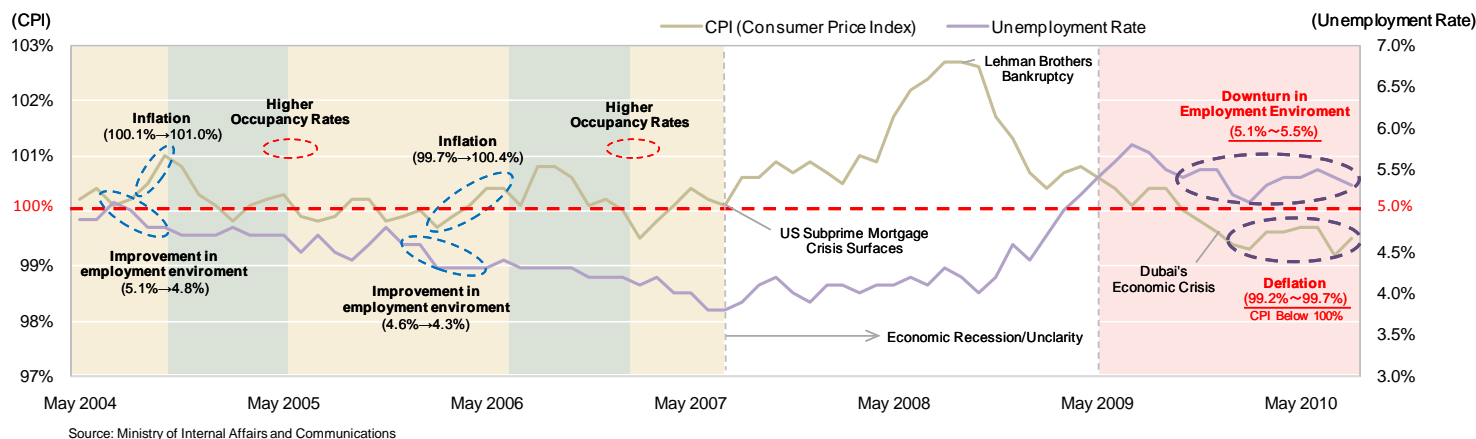
Outlook of Rental Housing Market

Changes in Average Occupancy Rate and Average Rent of Rental Housing Owned by J-REIT



Changes in Consumer Price Index/Total Unemployment Rate

* CPI: Calculated to measure the average price movements of goods/services purchased by households throughout the country, based on the year 2005.
Unemployment Rate: Of the population above 15-years old, the percentage of the unemployed to the total labor force (sum of the employed and unemployed).



Rental Housing Rent Increase Factor

Increase in Occupancy Rate

+

Upward Trend in Prices

+

Improve Employment Condition



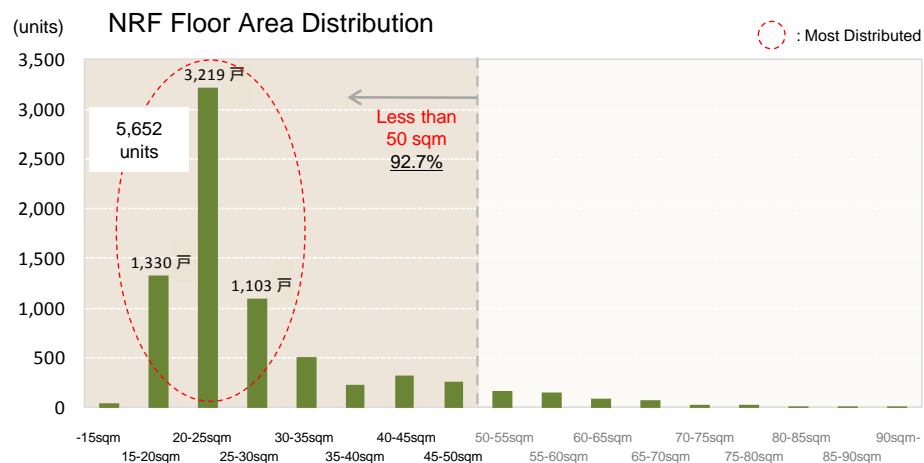
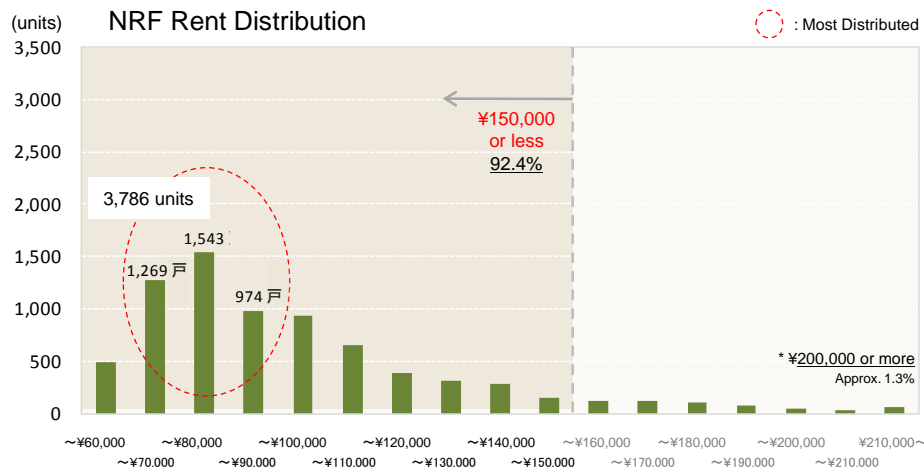
Rent Increase

NRF Portfolio: Selective Investment of “Core Units”



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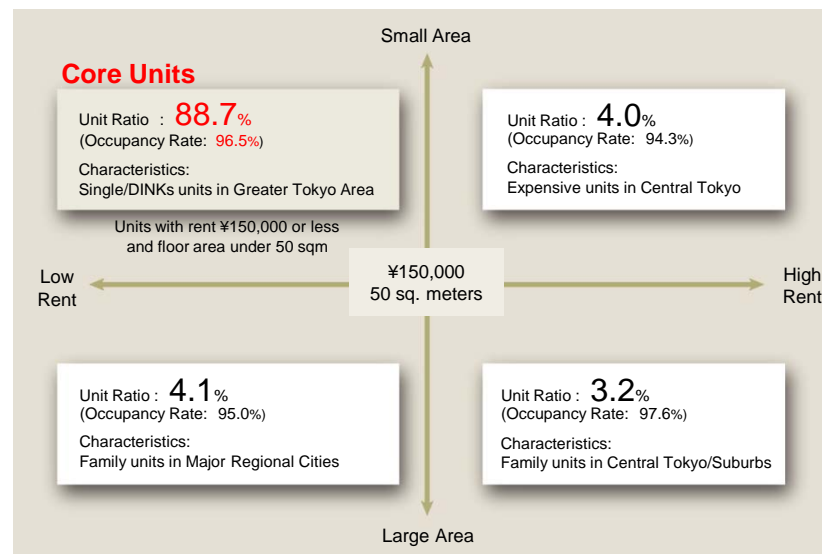
Target Tenant Class with Strong Demands and Stable Rent Potential



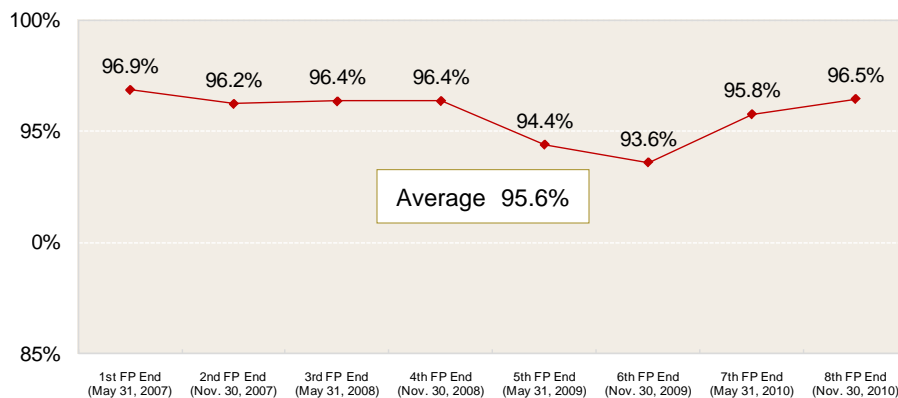
- Units : 7,575 units (only residential units)
- When : Eighth Fiscal Period End

Core Units (rent ¥150,000 or less, floor area under 50 sqm)

At 8th Fiscal Period End



(%) Changes in Occupancy Rate of Core Units



Ninth Fiscal Period Management Policy

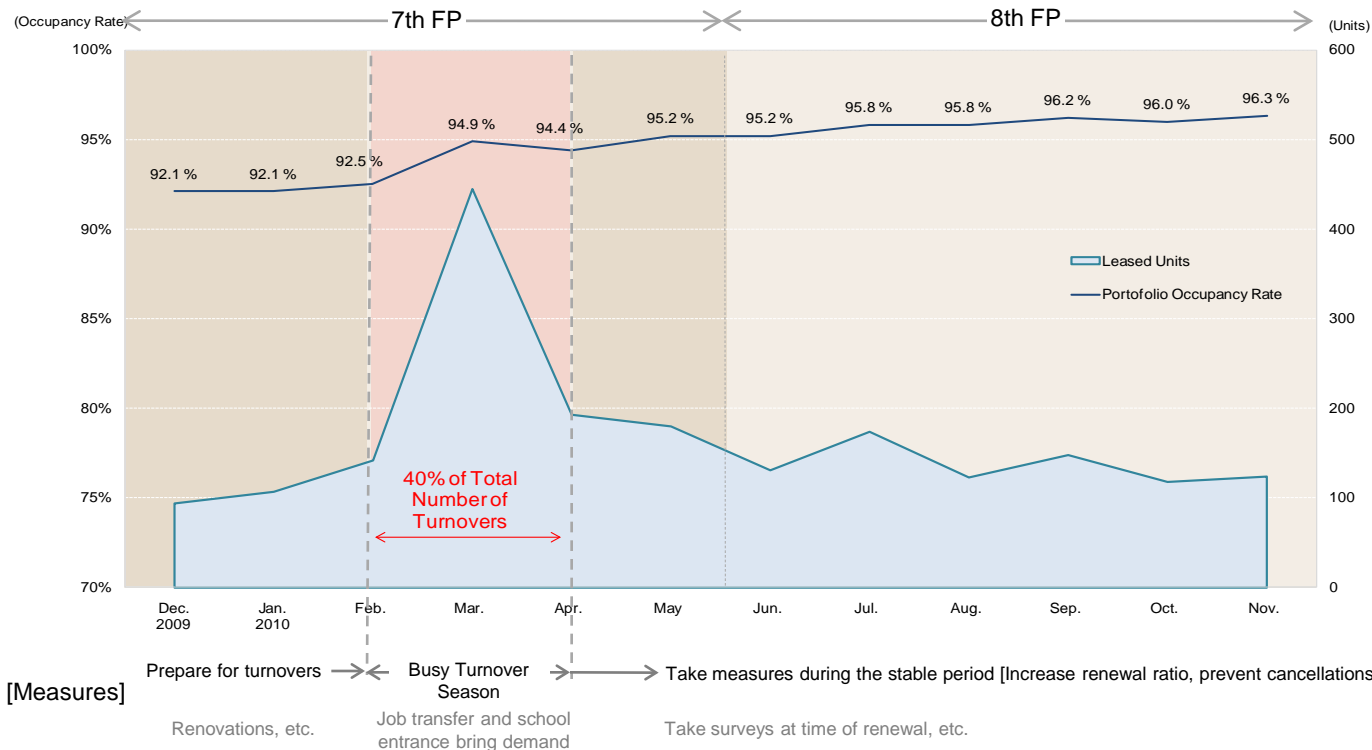
● Lease Preparations for Busy Turnover Season

- Local Area Marketing
- Renovations
- Renewing Utilities

● Handling the Busy Turnover Season

- Bring in Corporate Leases
 - Early grasp of demand
 - Actively inquire through agents
- Take measures to shorten vacancy period
 - Shorten restoration work period

Seventh and Eighth Fiscal Period Performance (Leased Units/Occupancy Rates)



● Leased Units

Total : 1,979 units

7th FP : 1,161 units (58.7%)

8th FP : 818 units (41.3%)

● Average Occupancy Rate

Annual : 94.7%

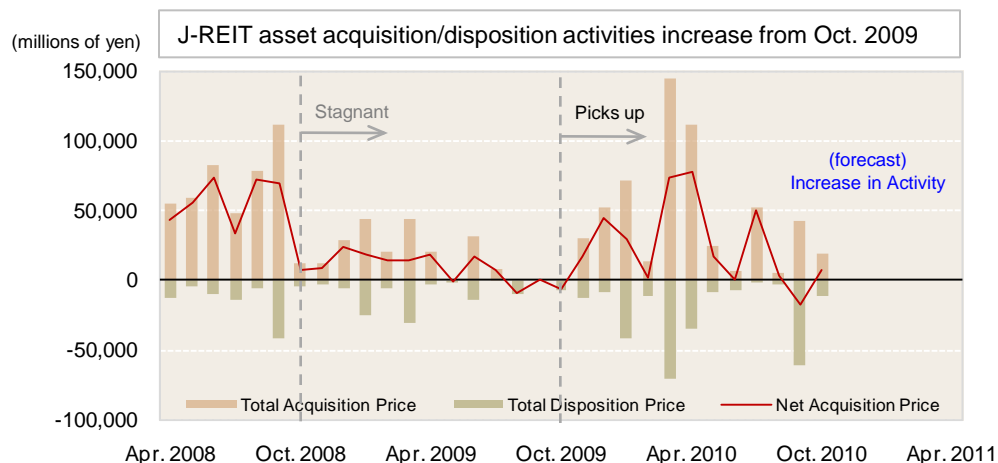
7th FP : 93.5%

8th FP : 95.9%

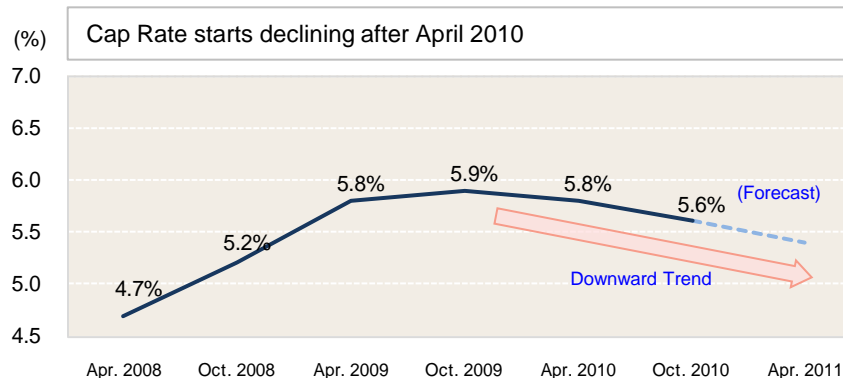
Ninth Fiscal Period Acquisition Policy

- Acquisition through various pipelines
- Implement replacement strategies (acquisition of high yield properties)

J-REIT Asset Acquisition/Disposition Trends



Changes in Capitalization Rate



NRF's Acquisition Performance and Policy

Acquisition Performance

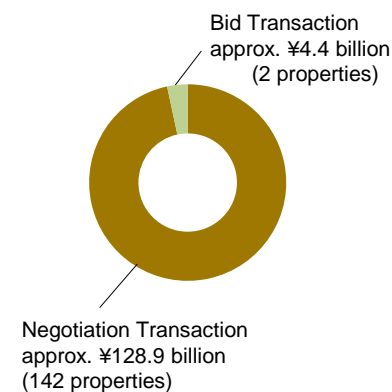
Information on Potential Properties

Number of information regarding potential properties on the rise

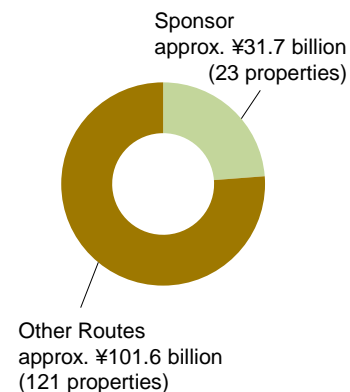
	7th FP	8th FP	Difference
Number of Information	257	340	+83
Potential Properties	32	54	+22

NRF's Transaction Results

Exclusive Transactions

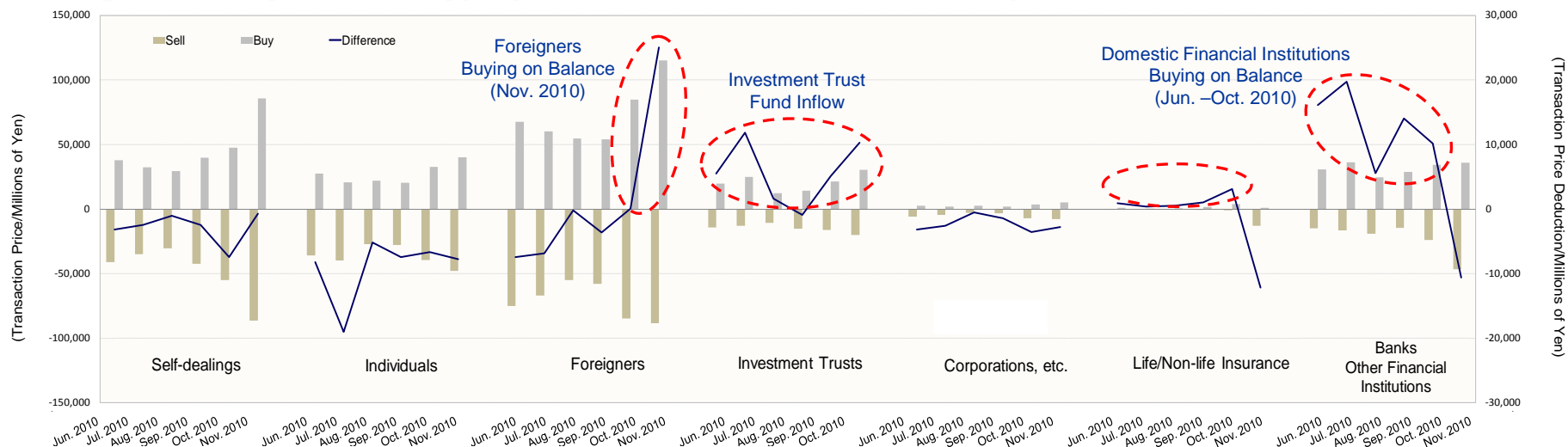


Acquisition from Various Routes

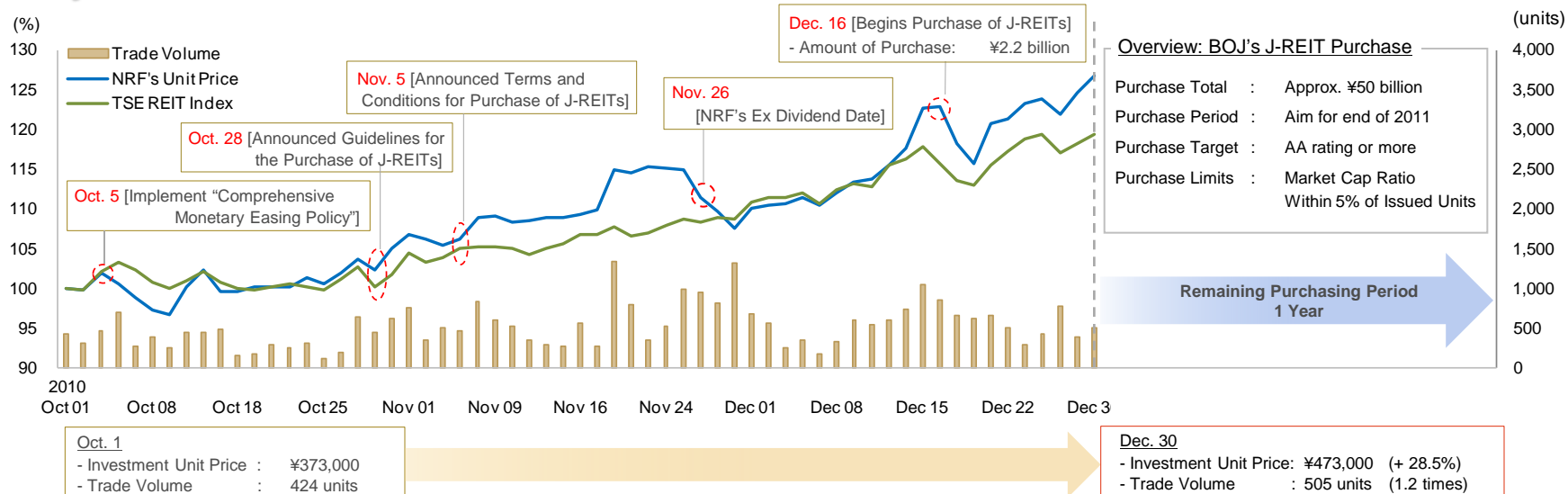


Source: (Upper Left) Based on the data disclosed on listed REIT's website
(Lower Left) Japan Real Estate Institute, Research and Study Department

Trading Volume by Investor Type (June 1, 2010-November 30, 2010)



Monthly Number of Transactions and Investment Unit Prices



Implement Each Strategy

Internal Growth

- ◆ **Maintain and Enhance High Occupancy Rates**
 - Understanding tenant needs, tenant recruitment conditions according to property characteristics
- ◆ **Strengthen Competitiveness through Renovations**
 - Renovate common areas, renew unit utilities (maintain and enhance revenue)

External Growth

- ◆ **Property Replacement**
 - Acquisition of high revenue, good location, and fairly new properties
 - Disposition of small scale/older properties
 - Pursue timely disposition, utilizing the characteristics of each real estate

Financial & Capital Strategy

- ◆ **Strengthen Funding**
 - Diversification of lenders
 - Consider investment corporation bonds
- ◆ **Enhance Fund Recognition**
 - Active investor relations

Towards Growth

Strengthen Profitability

- Maintain high occupancy rates
- Acquire high revenue properties
- Strengthen funding

External Growth Through Property Acquisition

- Considering equity procurement

Increase Cash Distribution

Enhance Asset Size



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Overview of the Financial Results



Income Statement

	7th Fiscal Period From Dec. 1, 2009 To May 31, 2010		8th Fiscal period From Jun. 1, 2010 To Nov. 30, 2010	
	Amount (¥000)	Ratio (%)	Amount (¥000)	Ratio (%)
Real Estate Rental Business Revenues	4,323,193	100.0	4,461,932	100.0
Rental Business Revenues	4,001,250	92.6	4,170,077	93.5
Other Rental Business Revenues	321,943	7.4	291,854	6.5
Parking Lot Revenue	104,587	2.4	106,649	2.4
Incidental Revenue *1	178,984	4.1	129,638	2.9
Other Real Estate Rental Revenue *2	38,370	0.9	55,566	1.2
Real Estate Rental Business Expenses	1,809,922	41.9	1,797,822	40.3
Repair Expenses *3	155,196	3.6	149,965	3.4
Tax and Public Dues *4	194,758	4.5	212,919	4.8
Depreciation and Amortization	787,351	18.2	794,984	17.8
Other Rental Business Expenses	672,616	15.6	639,952	14.3
Real Estate Rental Business Profits and Losses	2,513,271	58.1	2,664,110	59.7
Real Estate Disposition Profit and Loss	—	—	4,503	0.1
Asset Management Fees	305,304	7.1	322,444	7.2
Other Operating Expenses *5	170,272	3.9	195,386	4.4
Operating Income	2,037,693	47.1	2,150,783	48.2
Non-Operating Revenues	3,774	0.1	3,605	0.1
Non-Operating Expenses	653,813	15.1	638,470	14.3
Interest Expenses	585,728	13.5	601,223	13.5
Other Non-Operating Expenses *6	68,084	1.6	37,247	0.8
Current Profits	1,387,655	32.1	1,515,918	34.0
Net Income Before Tax	1,387,655	32.1	1,515,918	34.0
Corporate Income Tax, etc.	995	0.0	983	0.0
Net Income	1,386,659	32.1	1,514,935	34.0
Retained Earnings Brought Forward	50	0.0	50	0.0
Retained Earnings at Fiscal Period End	1,386,710	32.1	1,514,986	34.0

- Maintain/enhance high occupancy rate
- 2 new property acquisitions
(US Itabashi Kuyakushomae, US Yoga)
- Disposition of US Tennocho

* Reference

- Incidental Revenues
 - Key Money : ¥41,852 thousand
 - Renewal Fee : ¥75,527 thousand etc.
- Other Real Estate Rent Revenues
 - Revenue from cell phone antenna, vending machines, etc.
- Renovation Expenses
 - Repair Expense : ¥149,965 thousand
 - Capital Expenditure : ¥42,836 thousand
 - ¥192,801 thousand
- Tax and Public Dues
 - Subject Property : 143 Properties
 - Excluded Property : 2 Properties
(estimate ¥5,977 thousand)
- Other Operating Expenses
 - Duty Entrustment Fee : ¥39,281 thousand
 - Directors Fee : ¥6,400 thousand
- Other Non-Operating Expenses
 - Loan Related Expense : ¥34,539 thousand

*Figures are rounded down to the nearest thousand.

Assets

	Seventh Fiscal Period as of May 31, 2010		Eighth Fiscal Period as of Nov. 30, 2010	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current Assets	5,469,720	3.9	5,894,983	4.2
Cash and Cash Equivalents	4,022,983	2.9	4,593,251	3.3
Cash and Cash Equivalent in Trust	1,321,974	1.0	1,199,500	0.9
Other Current Assets	124,762	0.1	102,231	0.1
Fixed Assets	133,285,979	96.1	134,719,570	95.8
Tangible Fixed Assets	133,272,201	96.0	134,701,287	95.8
Real Estate	76,633,024	55.2	82,898,026	59.0
Building	36,873,993	26.6	38,984,343	27.7
Land	39,759,031	28.7	43,913,682	31.2
Real Estate in Trust	56,639,177	40.8	51,803,260	36.8
Building in Trust	18,618,805	13.4	16,840,225	12.0
Land in Trust	38,020,371	27.4	34,963,035	24.9
Intangible Fixed Assets	940	0.0	5,579	0.0
Other Intangible Fixed Assets	940	0.0	5,579	0.0
Investment and Other Assets	12,836	0.0	12,703	0.0
Security Deposits	10,879	0.0	10,879	0.0
Long-term Repaid Expenses	1,957	0.0	1,824	0.0
Total Assets	138,755,699	100.0	140,614,554	100.0

*1 Tangible Fixed Assets

(unit: millions of yen)

	Acquisition Price	Accumulated depreciation	(Depreciation for current FP)	Book value at FP end
Real Estate	139,819	5,118	(794)	134,701
Building	41,912	2,927	(542)	38,984
Land	43,913	—	—	43,913
Building in trust	19,030	2,190	(252)	16,840
Land in trust	34,963	—	—	34,963

Liabilities and Net Assets

	Seventh Fiscal Period as of May 31, 2010		Eighth Fiscal Period as of Nov. 30, 2010	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current Liabilities	15,471,675	11.2	21,372,432	15.2
Trade Accounts Payable	139,291	0.1	165,462	0.1
Long-term Loan Due Within One Year	14,256,000	10.3	20,050,000	14.3
Other Accounts Payable	190,083	0.1	237,549	0.2
Taxes Payable	816	0.0	9,481	0.0
Accrued Expenses	303,399	0.2	315,189	0.2
Rent Received in Advance	577,643	0.4	590,360	0.4
Deposits Payable	4,440	0.0	4,389	0.0
Fixed Liabilities	60,097,829	43.3	55,927,650	39.8
Long-term Loans	58,790,000	42.4	54,626,000	38.8
Security Deposits	651,954	0.5	703,645	0.5
Security Deposits in Trust	655,875	0.5	598,004	0.4
Total Liabilities	75,569,504	54.5	77,300,082	55.0
Unitholders Equity	63,186,195	45.5	63,314,471	45.0
Unitholders Capital	61,799,485	44.5	61,799,485	43.9
Retained Earnings	1,386,710	1.0	1,514,986	1.1
Total Net Assets	63,186,195	45.5	63,314,471	45.0
Total Liabilities and Net Assets	138,755,699	100.0	140,614,554	100.0

*2 Loans (long-term loans due within a year are included in the short-term loans)

Balance of interest-bearing debts (millions of yen)	74,676
Total asset interest-bearing debt ratio	$\frac{\text{short-term} + \text{long-term loans}}{\text{total assets}}$ 53.1%
Long-term interest-bearing debt ratio	$\frac{\text{long-term loans}}{\text{short-term} + \text{long-term loans}}$ 73.2%

Forecasts for the Ninth Fiscal Period



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	8th FP Results From Jun. 1, 2010 To Nov. 30, 2010	9th FP Forecast From Dec. 1, 2010 To May 31, 2011	Difference
	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)
Real Estate Rental Business Revenues	4,461	4,479	17
Real Estate Rental Business Expenses	1,797	1,839	41
Repair Expenses	149	152	2
Tax and Public Dues	212	213	0
Depreciation and Amortization	794	793	1
Real Estate Rental Business Profits and Losses	2,668	2,640	-23
Real Estate Disposition Profit and Loss	4	—	-4
Asset Management Fees	322	323	0
Other Operating Expenses	195	186	-9
Operating Income	2,150	2,130	-19
Non-Operating Profit and Loss	-634	-628	6
Interest Expenses	-602	-602	-1
Current Profits	1,515	1,502	-13
Net Income	1,514	1,501	-13

Number of Investment Units Issued	125,535	125,535	—
Cash Distribution Per Unit	12,068	11,960	-108

Number of Properties	144	145	1
Leasable Floor Area	214,145	216,470	2,325
Occupancy Rate Assumption	96.3	96.1	-0.2

Assumptions

[Number of Properties]

145 properties, including URBAN STAGE Kasai East.
(Total Acquisition Price: ¥134,356 million)

[Repair Expenses]

¥193 million for 8th Fiscal Period
(of which ¥43 million is capital expenditure)

Example)

US Takinokawa (large-scale renovation) : ¥10 million
PU Ebisu Minami (entrance renovation) : ¥2 million

¥190 million for 9th Fiscal Period

(of which ¥38 million is capital expenditure)

Example)

US Karasuyama (large-scale renovation) : ¥13 million
US Toritsu Daigaku (water line renewal work): ¥5 million

[Loans]

Total Interest-bearing Debt (as of Jan. 16) ¥74,676 million

Interest-bearing Debt Repayment Due During 9th FP

Repayment through loans (Feb. 2011) ¥4,980 million
Agreed repayment (Feb. 2011) ¥90 million

Difference in Forecasts

	Announced Dec. 1, 2010	Announced Jan. 14, 2011	Difference
Operating Revenues	¥4,451 million	¥4,479 million	+¥28 million
Operating Income	¥2,117 million	¥2,130 million	+¥13 million
Net Income	¥1,488 million	¥1,501 million	+¥13 million
Cash Distribution per Unit	¥11,850	¥11,960	+¥110

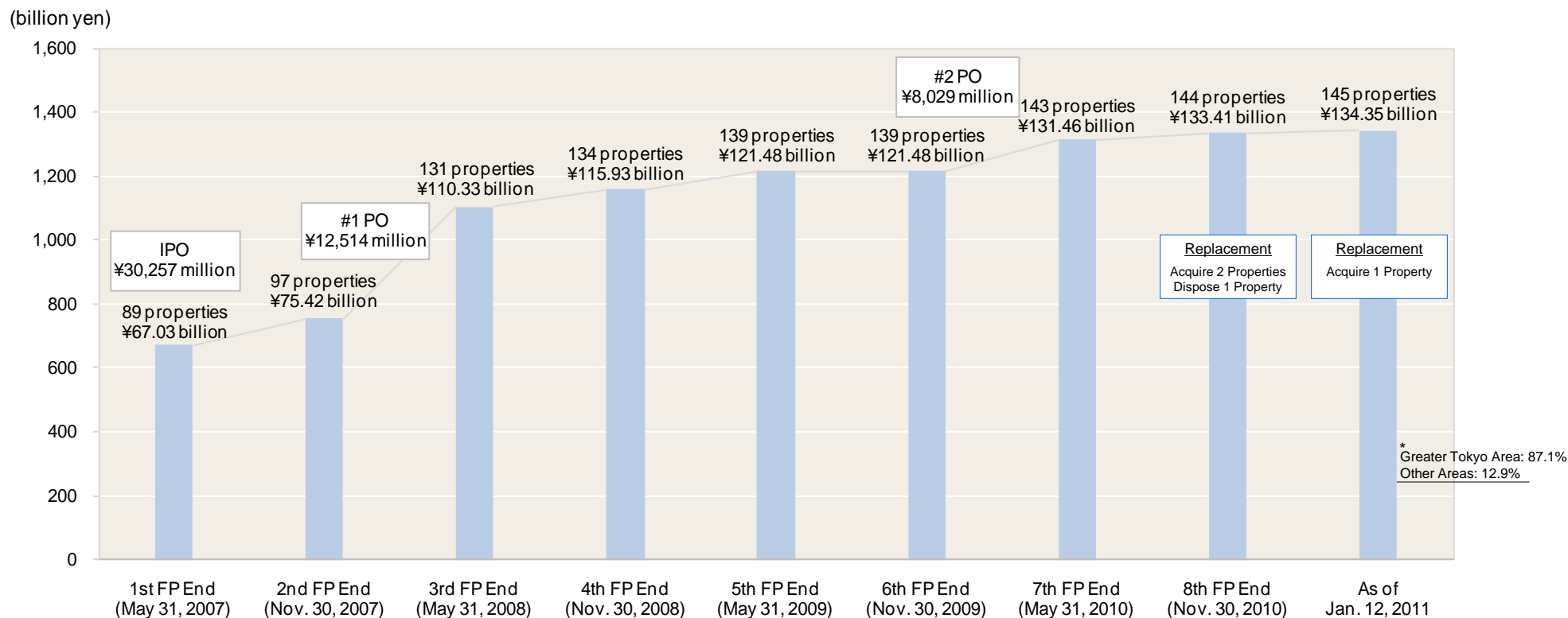


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Fund Management Results



Stable Growth of Portfolio



*The graph above is based on the acquisition price of each property (rounded down to the nearest thousand).

Portfolio Overview (8th Fiscal Period End)

Acquisition Price **¥133,416 million**

Average Rent Per Unit **approx. ¥96 thousand**

Leasable Units **7,609 units**

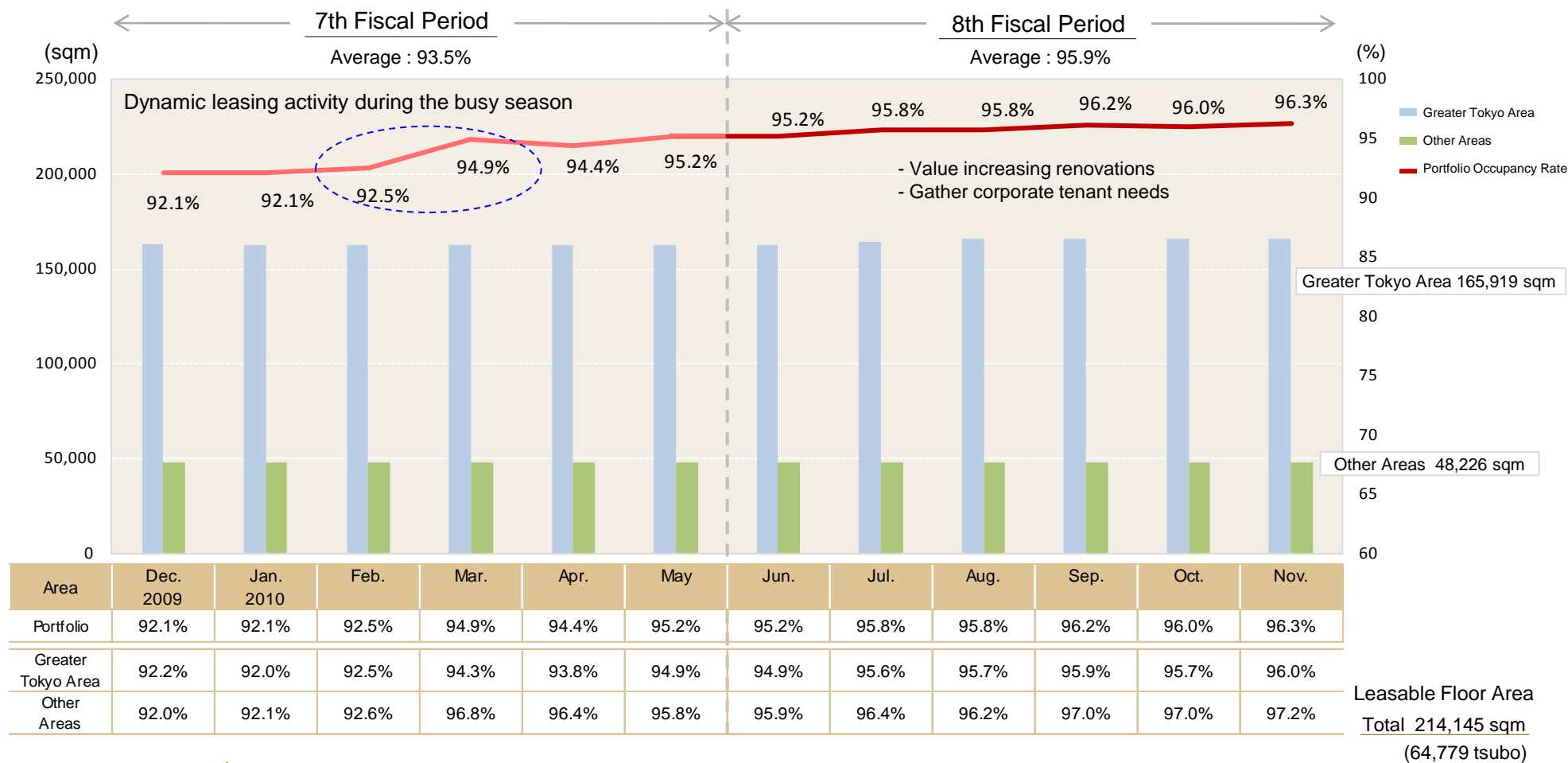
Average Leasable Floor Area Per Unit **approx. 28 sqm**

Portfolio Occupancy Rate



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Portfolio Occupancy Rate



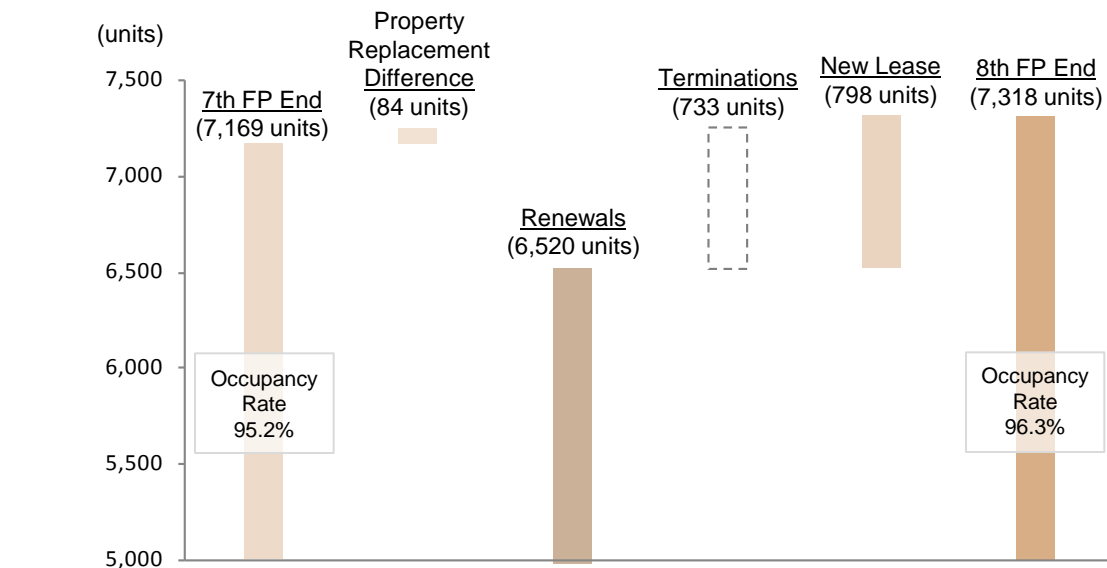
➡ Maintaining high occupancy rates from the end of last period
(7th FP End Occupancy Rate: 95.2% → 8th FP End Occupancy Rate: 96.3%)

Changes in Revenue (1)



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Changes in Leasable Units and Rent Per Unit



	7th FP End	Property Replacement Increase/Decrease	Continued Lease (including renewals)	Cancellations	New Lease	8th FP End
Units (units)	7,169	84	6,520	733	798	7,318
Rent Level (yen/tnsubo)	11,372	13,732	11,359	11,728	10,870	11,295

Acquisition : 104 units
Disposition : 20 units

Details)						
Greater Tokyo Area	(units)	5,816	84	5,316	584	632
	(yen/tnsubo)	12,663	13,732	12,613	13,214	12,158
Other Areas	(units)	1,353	—	1,204	149	166
	(yen/tnsubo)	7,055	—	7,053	7,070	6,824

Details of Lease Renewals (units that reached end of lease during the 8th FP)

Scheduled for renewal	1,008 units			Average		Unit
Units renewed*	860 units (¥11,490/tnsubo)	→	*Details	860 units	11,444 (Ratio)	Ratio
Lease Renewal Rate	85.3 %		Increase	— units	— (—%)	(—%)
			Flat	774 units	11,388 (±0.0%)	(90.0%)
			Decrease	86 units	11,959 (—3.7%)	(10.0%)

- Occupancy Rate (95.2% → 96.3% +1.1 pt)

Occupancy rates for Greater Tokyo Area and Other Areas have improved

Greater Tokyo Area [94.9% → 96.0%]

Other Areas [95.8% → 97.2%]

- Rent per Tsubo (¥11,372 → ¥11,295 -0.7%)

Properties	Difference	Notes
Portfolio at 7th FP End	-108 yen	142 properties (-0.9%)
8th FP Property Replacement	+31 yen	acquired 2 new properties (+0.2%)
Portfolio at 8th FP End	-77 yen	11,372 yen → 11,295 yen (-0.7%)



Strategies from 9th FP

- React swiftly to market conditions
→ Further enhance occupancy rates
- Management efficiency through property replacement/
Improve portfolio profitability
- Continue to seek internal growth opportunities

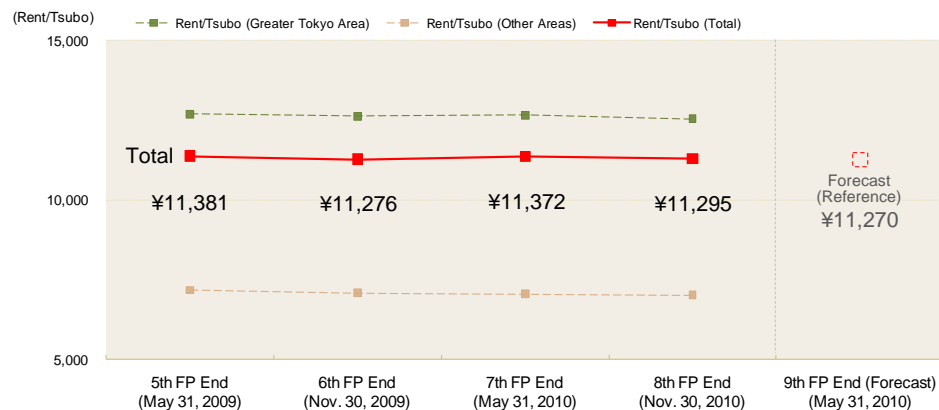
Changes in Revenue (2)



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Residential Fund

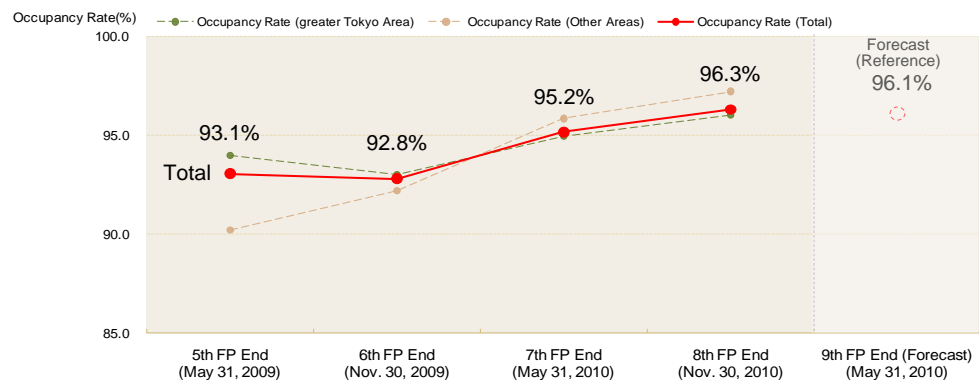
Changes in Rent per Tsubo and Occupancy Rate (5th FP End-9th FP End (forecast))

[Rent per Tsubo]



		5th FP End (May 31, 2009)	6th FP End (Nov. 30, 2009)	7th FP End (May 31, 2010)	8th FP End (Nov. 30, 2010)	(Reference) 9th FP End (Forecast) (May 31, 2011)
Rent per Tsubo	Total	¥11,381	¥11,276	¥11,372	¥11,295	¥11,270
	Greater Tokyo	¥12,695	¥12,626	¥12,663	¥12,551	—
Details	Other Areas	¥7,177	¥7,090	¥7,055	¥7,026	—

[Occupancy Rate]



		5th FP End (May 31, 2009)	6th FP End (Nov. 30, 2009)	7th FP End (May 31, 2010)	8th FP End (Nov. 30, 2010)	(Reference) 9th FP End (Forecast) (May 31, 2011)
Occupancy Rate	Total	93.1%	92.8%	95.2%	96.3%	96.1%
	Greater Tokyo	94.0%	93.0%	94.9%	96.0%	—
Details	Other Areas	90.2%	92.2%	95.8%	97.2%	—

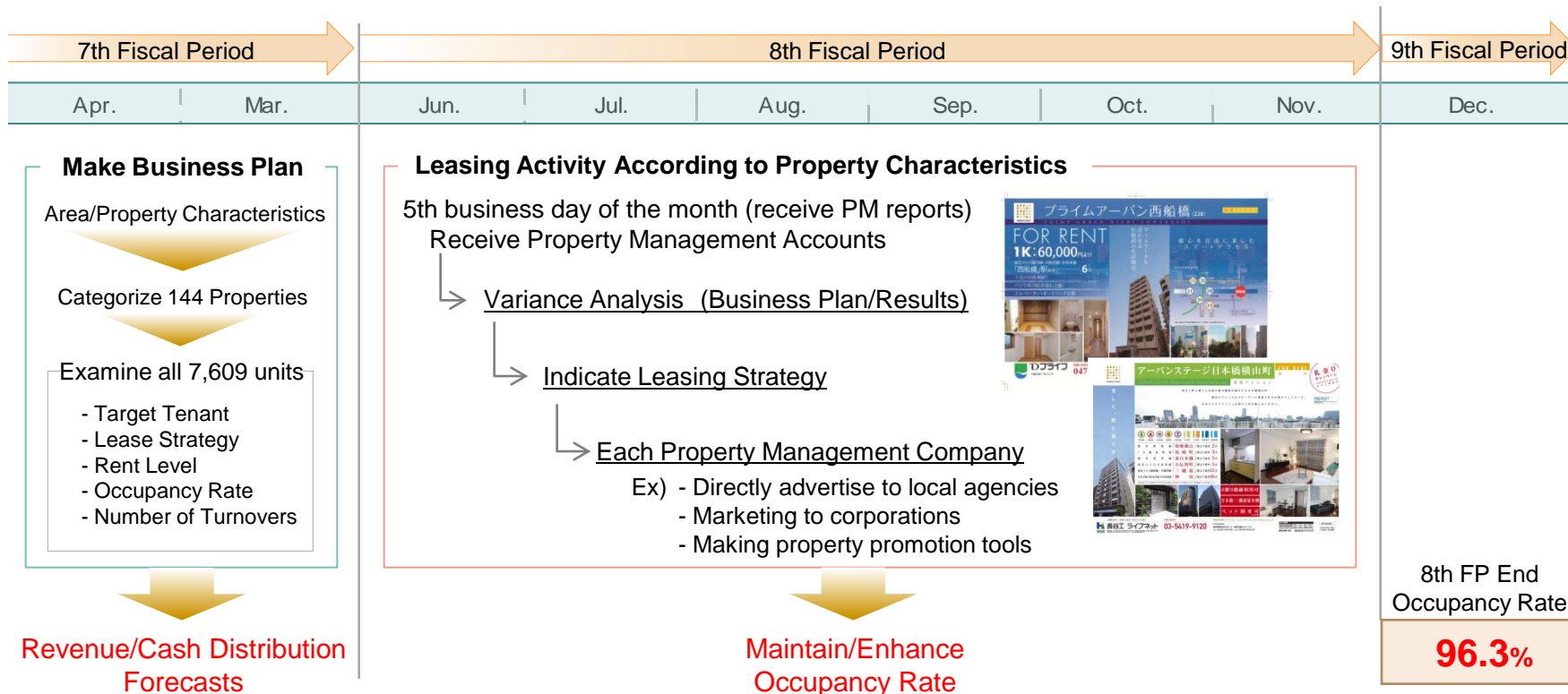
		5th FP End (May 31, 2009)	6th FP End (Nov. 30, 2009)	7th FP End (May 31, 2010)	8th FP End (Nov. 30, 2010)	(Reference) 9th FP End (Forecast) (May 31, 2011)
Turnover Ratio	(Total)	12.1%	8.4%	15.4%	10.5%	14.5%

Engage in Asset Management (Enhance Occupancy Rate/Control of Rent Arrears)



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Enhance Occupancy Rate



Control of Rent Arrears

- [1] Confirm Status of Rent Arrears (PM Report)
- Late rent notice from PM company (initial step)
 - Meeting to discuss status of rent arrears (regularly)

- [2] Long-term Rent Arrears
- Terminate lease after discussing with a lawyer
 - Take legal measures, swiftly start rent collection procedure

*Status of Bad Debt Loss

(thousands of yen)

1st FP	2nd FP	3rd FP	4th FP	5th FP	6th FP	7th FP	8th FP
0	151 (0.01%)	892 (0.03%)	0	206 (0.01%)	48 (0.00%)	83 (0.00%)	793 (0.02%)

*Real estate rental business profit ratio is stated inside the brackets.

Management Results

Keep/Enhance Market Competitiveness and Seek Internal Growth Opportunities

Renovations During the 8th Fiscal Period

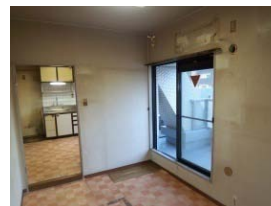
PRIME URBAN Ebisu Minami



- Renovate building entrance to enhance market appeal
 - Change wall surface to white undertones
 - Better image of common area through lighting modifications

Nov. 30, 2010
Occupancy Rate
100.0%

URBAN STAGE Asakusa



- Enhance Market Competitiveness through Renovations
 - Change 2LDK to 1LDK room in response to market demand
 - Enhance competitiveness by renewing utilities

Unit Rent
¥121 thousand
↓
¥146 thousand

Seek Internal Growth Opportunities

- Procurement of incidental revenues (Continue to install cellphone antennae and vending machines)
- Curtail building management expenses (Change building management companies)
- Other cut expenses (Curtailed phone bill for custodian office)



Approx. **¥25 million**
Improvement of Profit
(per annum)

Interest-bearing Debt

Interest-bearing Debt Total	¥74,676 million
Average Remaining Duration of Long-term Loans	2.1 years
Weighted Average Interest Rate	1.62 %
Long-term Interest-bearing Debt Ratio	73.2 %
Loan Interest Rate Fixed Ratio	74.8 %
LTV Level	53.1 %

*Long-term Ratio, when including "long-term loans due within a year" in long-term loans, is 100.0%.

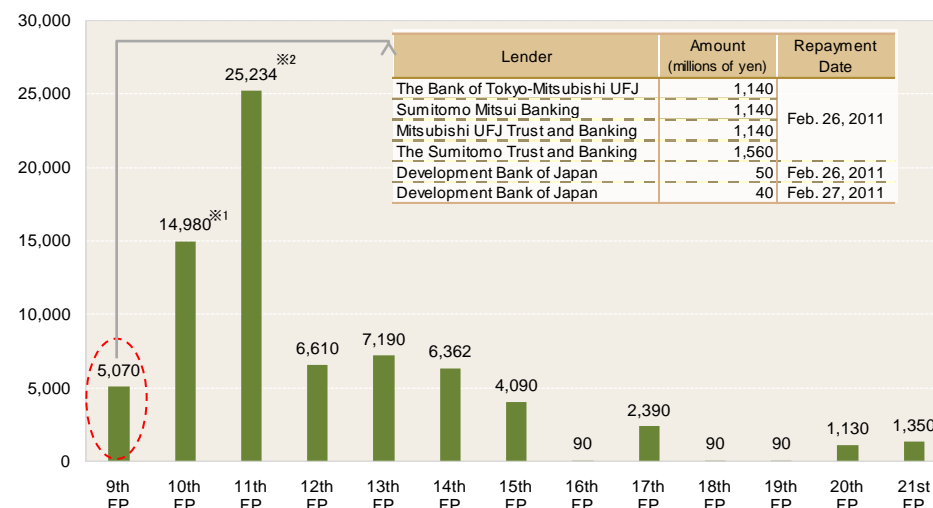
**Loan Interest Rate Fixed Ratio* includes floating rate loans which have been fixed through interest rate swaps.

Credit Rating (As of December 2010)

Agency	Rating	Outlook
JCR	Long-term Senior Debt Rating : AA	Negative
S&P	Long-term Corporate Credit Rating : A	Stable
	Short-term Corporate Credit Rating : A-1	

Maturity Diversification

(millions of yen)



*Date of Repayment: Aug. 2011 (¥7,990 million/installment repayment ¥90 million), Sep. 2011 (¥6,900 million)

*Date of Repayment: Dec. 2011 (¥14,144 million), Feb. 2012 (¥11,000 million/installment repayment ¥90 million)

Lender Diversification (16 Lenders)

Major Banks (3)			Trust Banks (3)		Regional Banks (3)	
The Bank of Tokyo-Mitsubishi UFJ	12,512		Mitsubishi UFJ Trust and Banking	12,512	The Iyo Bank	1,000
Sumitomo Mitsui Banking	12,512		The Sumitomo Trust and Banking	6,480	The Bank of Fukuoka	1,000
Mizuho Corporate Bank	6,920		The Nomura Trust and Banking	3,500	The Chiba Bank	750
Insurance Companies (4)			Others (3)			
Taiyo Life Insurance	3,000		Development Bank of Japan	8,270		
Mitsui Sumitomo Insurance	2,100		Aozora Bank	500		
Daido Life Insurance	1,100		Shinkin Central Bank	1,720		
The Dai-ichi Life Insurance	800					

Appraisal Value Status (Eighth Fiscal Period End)



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Residential Fund

Appraisal Value

7th FP End Appraisal Value (A)* **¥121,579 million**

8th FP End Appraisal Value (B) **¥121,231 million**

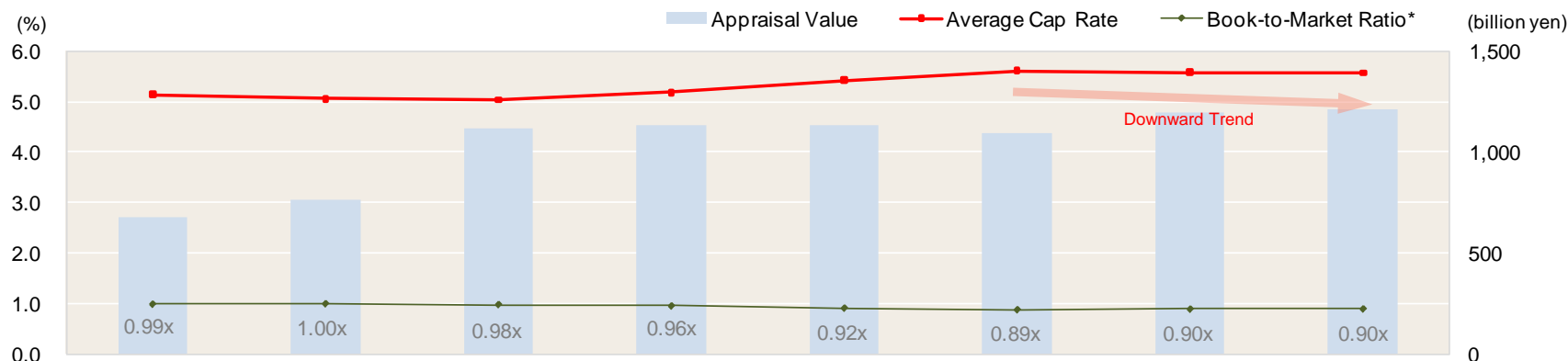
Difference (A)-(B) -¥348 million

*"7th FP End Appraisal Value" includes the appraisal value at the time of acquisition of the 2 properties acquired during the 8th FP. It also excludes the appraisal value of 1 property disposed during the 8th FP.

Appraisal Value Details

- Increase 44 properties (30.6 %)
- Flat 36 properties (25.0 %)
- Decrease 64 properties (44.1 %)
- Total 144 properties (100.0 %)

Range of Cap Rate, Appraisal Value, and Book-to-Market Ratio



	1st FP	2nd FP	3rd FP	4th FP	5th FP	6th FP	7th FP	8th FP
Average Cap Rate	5.14 %	5.05 %	5.04 %	5.18 %	5.43 %	5.61 %	5.58 %	5.57 %
Appraisal Value	¥ 67.57 billion	¥ 76.66 billion	¥ 111.47 billion	¥ 113.55 billion	¥ 113.57 billion	¥ 109.34 billion	¥ 119.47 billion	¥ 121.23 billion
Total Book Value	¥ 68.32 billion	¥ 76.83 billion	¥ 113.51 billion	¥ 118.81 billion	¥ 124.09 billion	¥ 123.54 billion	¥ 133.27 billion	¥ 134.70 billion
Book-to-Market Ratio*	0.99 x	1.00 x	0.98 x	0.96 x	0.92 x	0.89 x	0.90 x	0.90 x

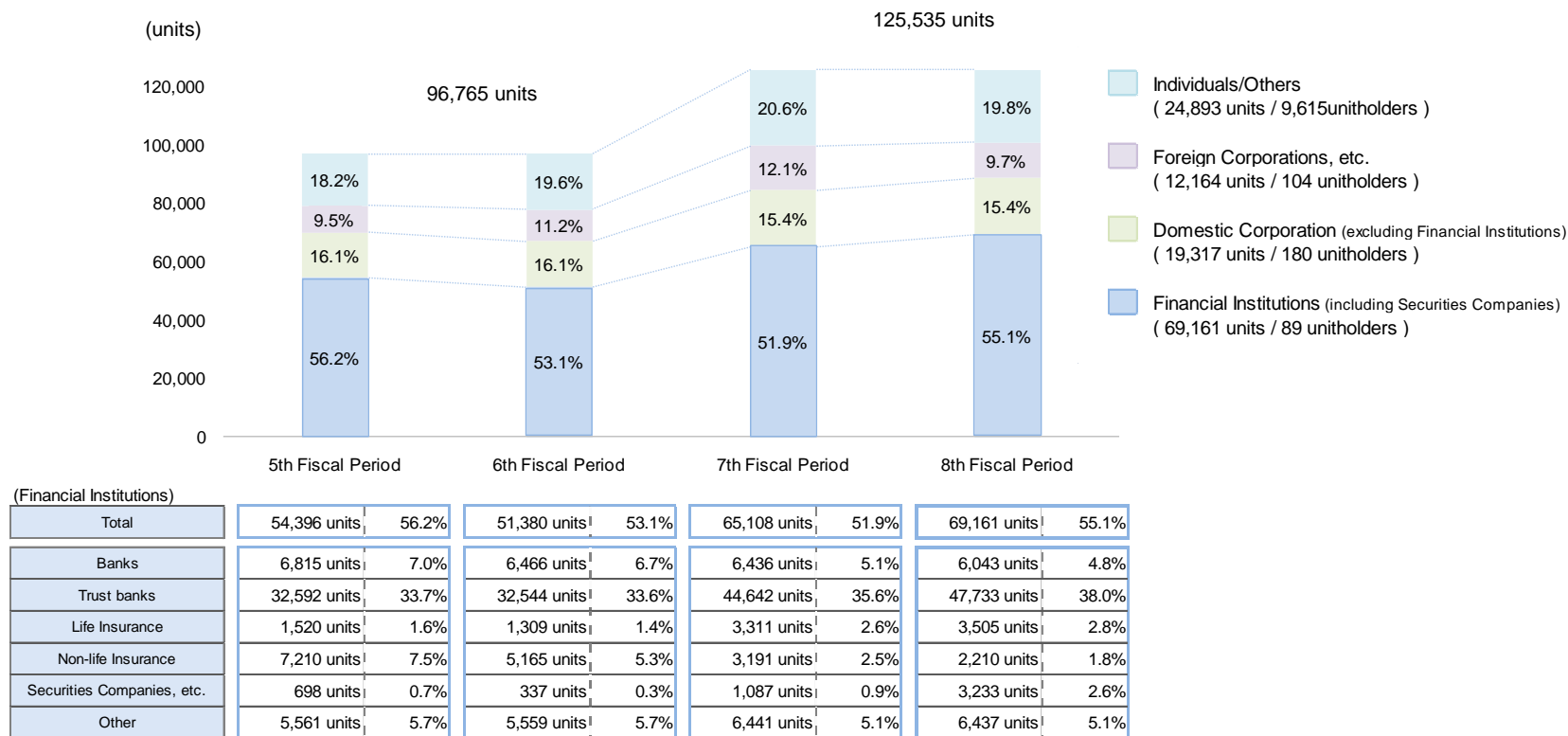
*Book-to-Market Ratio=Appraisal Value/Book Value

Unitholders (Eighth Fiscal Period End)



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Residential Fund

Changes in Number of Units Held by Unitholders and the Ratio



Top 10 Unitholders

#	Unitholders	Units	Ratio (%)
1	Japan Trustee Services Bank, Ltd.	25,211	20.08
2	Nomura Real Estate Development Co., Ltd.	15,240	12.14
3	The Nomura Trust and Banking Co., Ltd.	12,642	10.07
4	Trust and Custody Services Bank, Ltd.	4,758	3.79
5	The Master Trust Bank of Japan, Ltd.	3,510	2.80

#	Unitholders	Units	Ratio (%)
6	AIG EDISON-GA NON DIMA	2,394	1.91
7	Asahi Fire and Marine Insurance Co., Ltd.	2,000	1.59
8	National Mutual Insurance Federation of Agriculture Cooperatives	1,460	1.16
9	The Senshu Ikeda Bank, Ltd.	1,161	0.92
10	State Street Bank and Trust Company (505025)	1,017	0.81
Total		69,393	55.28

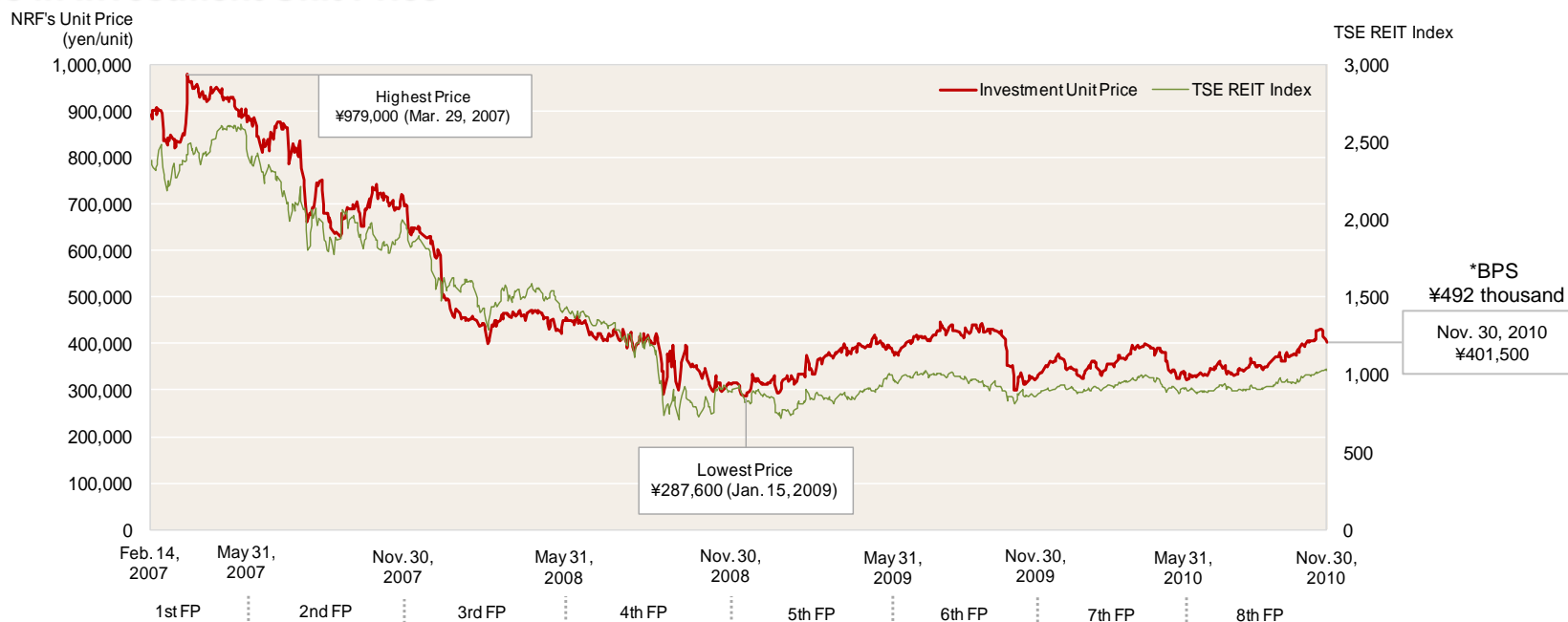
(Note) The Ratio is calculated as the percentage of Total Number of Owned Investment Units divided by Total Number of Issued Investment Units.

Changes in Investment Unit Price and Cash Distribution (since inception)

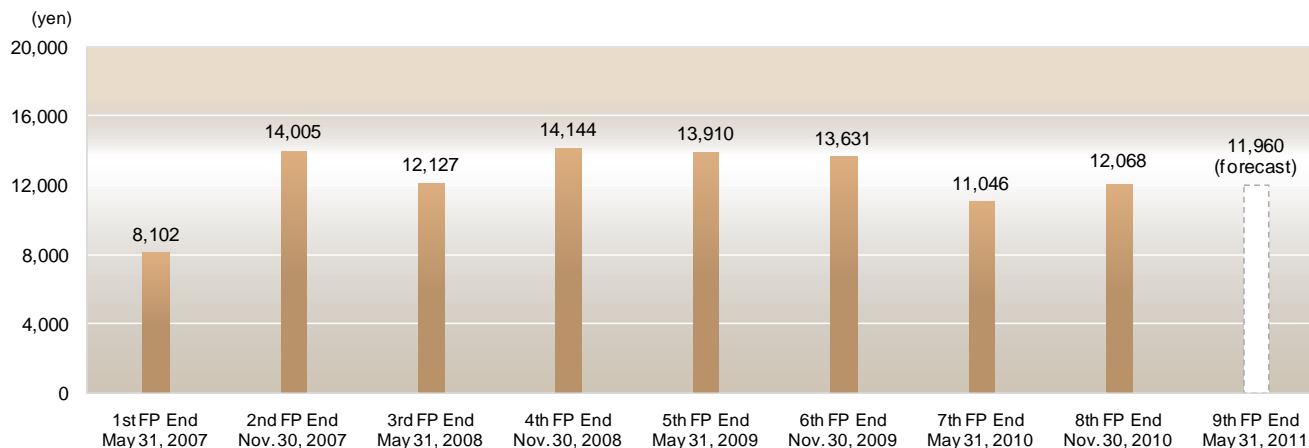


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Changes in Investment Unit Price



Changes in Cash Distribution





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APPENDIX



Changes in Financial Performance



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Residential Fund

		1st FP	2nd FP	3rd FP	4th FP	5th FP	6th FP	7th FP	8th FP
Operating Revenues	million yen	2,304	2,484	3,261	3,809	4,025	3,959	4,323	4,466
Operating Income	million yen	1,078	1,263	1,622	1,890	1,949	1,926	2,037	2,150
Net Income	million yen	551	953	1,173	1,368	1,345	1,319	1,386	1,514
Asset Total	million yen	75,313	80,890	118,747	124,705	130,433	128,433	138,755	140,614
Interest-bearing Debt Total	million yen	31,940	37,100	61,724	67,236	72,996	70,976	73,046	74,676
Net Asset	million yen	41,807	42,209	54,943	55,138	55,115	55,088	63,186	63,314
Return on Assets (ROA)	%	1.6	2.4	2.3	2.2	2.1	2.0	2.0	2.2
Return on Equity (ROE)	%	3.4	4.5	4.7	5.0	4.9	4.8	4.4	4.8
FP End Capital Adequacy Ratio	%	55.5	52.2	46.3	44.2	42.3	42.9	45.5	45.0
LTV	%	42.4	45.9	52.0	53.9	56.0	55.3	52.6	53.1
Interest Coverage Ratio	times	3.6	4.4	4.0	3.8	3.4	3.3	3.4	3.5
Weighted Average Interest Rate	%	1.68	1.65	1.51	1.55	1.57	1.61	1.61	1.62
Long-term Debt Average Remaining Duration	years	4.4	4.0	3.6	3.5	2.8	2.8	2.4	2.1
Rent NOI	million yen	1,739	1,985	2,569	3,039	3,138	3,125	3,300	3,459
NOI Yield (acquisition price base)	%	5.19	5.27	4.66	5.24	5.17	5.15	5.02	5.19
FFO	million yen	949	1,351	1,748	2,064	2,089	2,055	2,174	2,305
Portfolio	properties	89	97	131	134	139	139	143	144
Acquisition Price Total	million yen	67,035	75,420	110,330	115,939	121,482	121,482	131,462	133,416
Book Value Total	million yen	68,328	76,837	113,515	118,818	124,095	123,545	133,272	134,701
Appraisal Value Total	million yen	67,570	76,663	111,473	113,555	113,576	109,349	119,471	121,231
NAV per Unit	thousand yen	602	617	546	515	460	422	393	397

ROA=Current Profits/[(Total Asset Value at Start of FP+Total Asset Value at FP End)÷2]×100 *annual basis

ROE=Net Income/[(Total Asset Value at FP Start+Total Asset Value at FP End)÷2]×100 *annual basis

Capital Adequacy Ratio at FP End=Net Asset at FP End/Total Asset at FP End x 100

LTV=Total Interest-bearing Debt at FP End/Total Asset at FP End x 100

Interest Coverage Ratio=Net Income Before Interest Depreciation/Interest Expenses

Rent NOI=Real Estate Rental Business Revenues-Real Estate Rental Business Income+Current FP Depreciation and Amortization

NOI Yield (Acquisition Price Base)=Rent NOI/Total Acquisition Price x 100 *annual basis

FFO=Net Income+Current FP Depreciation and Amortization-Real Estate Disposition Profit & Loss

NAV per Unit=[Net Asset Total-(Income Statement Total-Appraisal Value Total)]/Total Number of Investment Units Issued

Interest-bearing Debts (Eighth Fiscal Period End)



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	Lender	Amount (Millions of Yen)	Type of Interest	Interest Rate	Date of Loan	Date of Repayment	Remaining Period	Collateral
Short-term Loan (Includes long-term loans to be repayed within a year)	4 Financial Institutions	4,980	Fixed Rate (*1)	1.24920%	Feb. 26, 2008	Feb. 26, 2011	0.2 years	Unsecured Unguaranteed
	8 Financial Institutions	7,990	Floating Rate	1.34000%	Feb. 26, 2010	Aug. 26, 2011	0.7 years	
	3 Financial Institutions	3,400	Fixed Rate	1.51625%	Sep. 4, 2008	Sep. 4, 2011	0.8 years	
	6 Financial Institutions	3,500	Fixed Rate (*1)	1.84464%	May 31, 2007	Sep. 30, 2011	0.8 years	
	1 Financial Institution	80	Fixed Rate	2.10000%	Aug. 27, 2009	(*2)	—	
	1 Financial Institution	100	Fixed Rate	2.03000%	Feb. 26, 2010	(*3)	—	
Short-term Loan Sub Total	10 Financial Institutions	20,050	—	—	—	—	—	—
Long-term Loan	2 Financial Institutions	5,048	Fixed Rate (*1)	1.43250%	Dec. 26, 2008	Dec. 26, 2011	1.1 years	Unsecured Unguaranteed
	2 Financial Institutions	9,096	Floating Rate	1.27000%	Jun. 28, 2010	Dec. 26, 2011	1.1 years	
	7 Financial Institutions	11,000	Fixed Rate (*1)	1.79300%	Feb. 27, 2007	Feb. 27, 2012	1.2 years	
	2 Financial Institutions	2,200	Fixed Rate	1.81375%	Apr. 27, 2007	Aug. 27, 2012	1.7 years	
	5 Financial Institutions	2,600	Fixed Rate (*1)	1.49300%	Aug. 27, 2009	Aug. 27, 2012	1.7 years	
	1 Financial Institution	1,720	Floating Rate	1.28615%	Sep. 7, 2010	Aug. 27, 2012	1.7 years	
	4 Financial Institutions	1,600	Fixed Rate (*1)	1.51625%	Dec. 3, 2009	Dec. 3, 2012	2.0 years	
	3 Financial Institutions	5,500	Fixed Rate	1.83625%	May 23, 2008	May 23, 2013	2.5 years	
	3 Financial Institutions	5,472	Fixed Rate (*1)	1.74250%	Sep. 29, 2008	Sep. 29, 2013	2.8 years	
	1 Financial Institution	800	Fixed Rate	1.99875%	Sep. 27, 2007	Sep. 30, 2013	2.8 years	
	2 Financial Institutions	2,000	Fixed Rate (*1)	2.14360%	Feb. 27, 2007	Feb. 27, 2014	3.2 years	
	1 Financial Institution	2,000	Fixed Rate	2.13625%	Feb. 27, 2007	Feb. 27, 2014	3.2 years	
	1 Financial Institution	1,000	Fixed Rate (*1)	1.79200%	Feb. 26, 2010	Feb. 26, 2015	4.2 years	
	1 Financial Institution	1,300	Fixed Rate	2.23500%	May 15, 2007	Feb. 27, 2015	4.2 years	
	1 Financial Institution	1,440	Fixed Rate	2.10000%	Aug. 27, 2009	(*2)	—	
	1 Financial Institution	1,850	Fixed Rate	2.03000%	Feb. 26, 2010	(*3)	—	
Long-term Loan Sub Total	14 Financial Institutions	54,626	—	—	—	—	—	—
Total	16 Financial Institutions	74,676	—	—	—	—	—	—

(*1) The interest rate stated regarding this loan takes into consideration the Interest Rate Swap transaction.

(*2) The amount of ¥ 40 million to be repayed on February 27, 2010, the first repayment date, and every August 27 and February 27 thereafter, until the last repayment of ¥ 1,080 million on August 27, 2016.

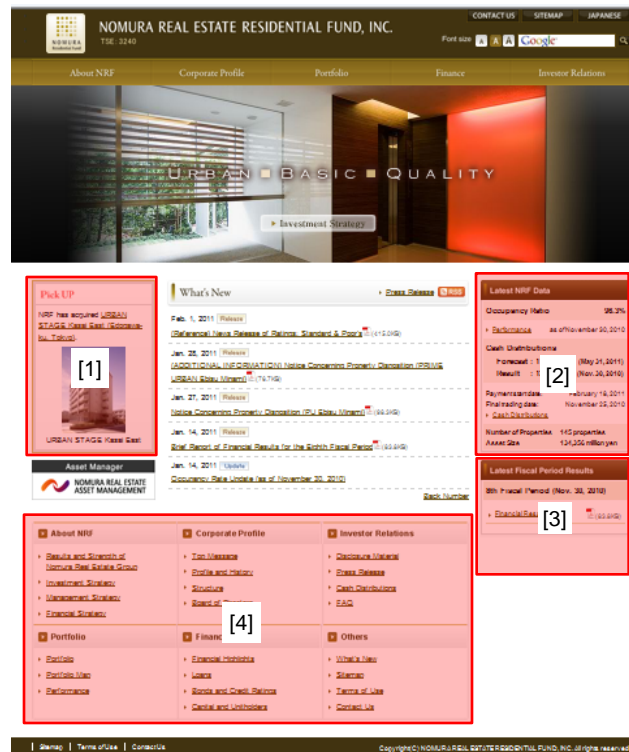
(*3) The amount of ¥ 50 million to be repayed on August 26, 2010, the first repayment date, and every February 26 and August 26 thereafter, until the last repayment of ¥ 1,350 million on February 26, 2017.

URL <http://www.nre-rf.co.jp/english/>

[2] The Latest NRF Data



[4] List of Website Links on the Main Page



Participate in J-REIT Fair 2010 (Sep. 11, 2010)

- Increase recognition from individual investors
 - Venue : TSE Hall
 - Visitors : 758 people



Portfolio Status (144 Properties at Eighth Fiscal Period End)

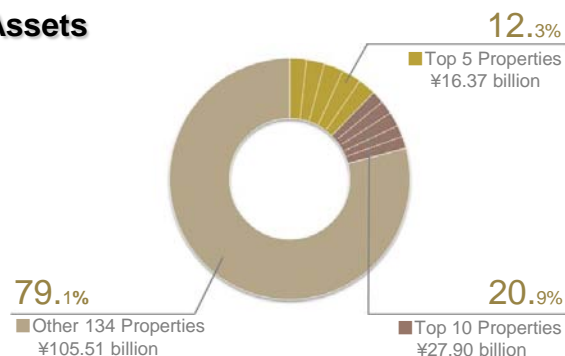


NOMURA
Residential Fund

Diversification Within Assets

Improve portfolio stability
through promotion of
diversification

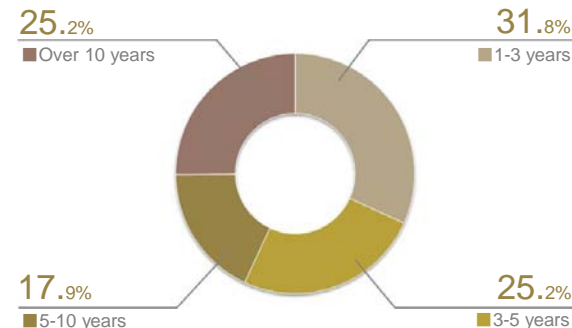
⇒Top 10 Properties 20.9%



Building Age

Considering the combination of
various building age to avoid the
bias of large-scale repair
expenses

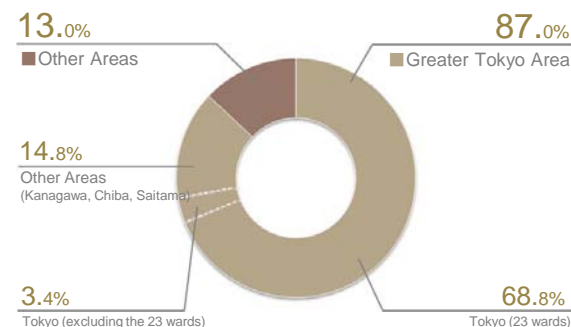
⇒Average Building Age
8.1 Years



Investment Area

Greater Tokyo Area 70% or more
Other Areas 30% or less

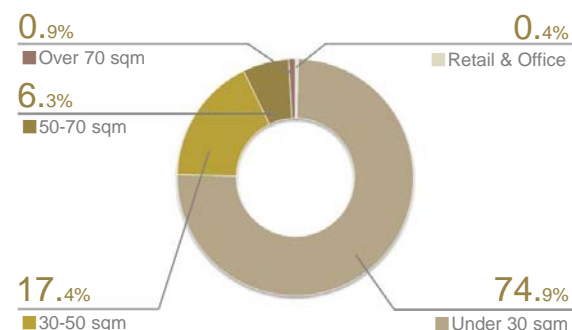
⇒Greater Tokyo Area 87.0%



Floor Area Per Unit

Investing in properties targeting
single/DINKS/young family
households for the
foreseeable future

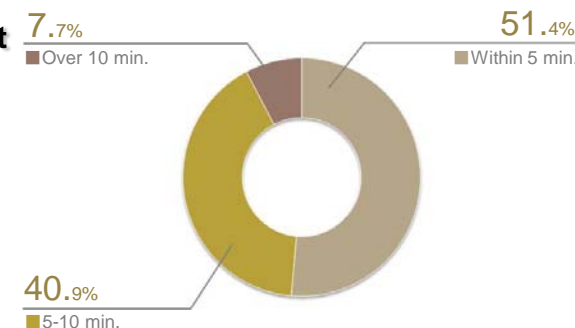
⇒Under 50 sqm 92.3%



Nearest Station on Foot

Selection focusing on
accessibility to the nearest
railway stations

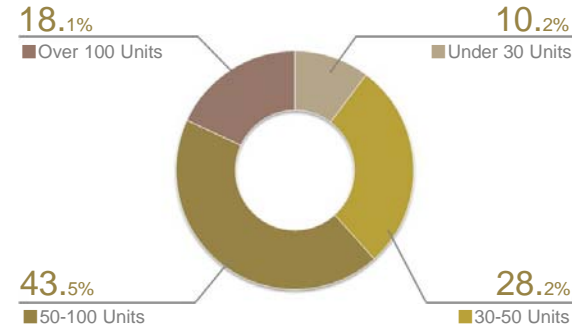
⇒Within 10 min. 92.3%



Units Per Property

Investing in properties with
strong lease-up potential in a
short timeframe

⇒Average Unit Per Property
52 Units



*Of the graphs above, "Floor area per unit" is based on units, the others are based on acquisition price.

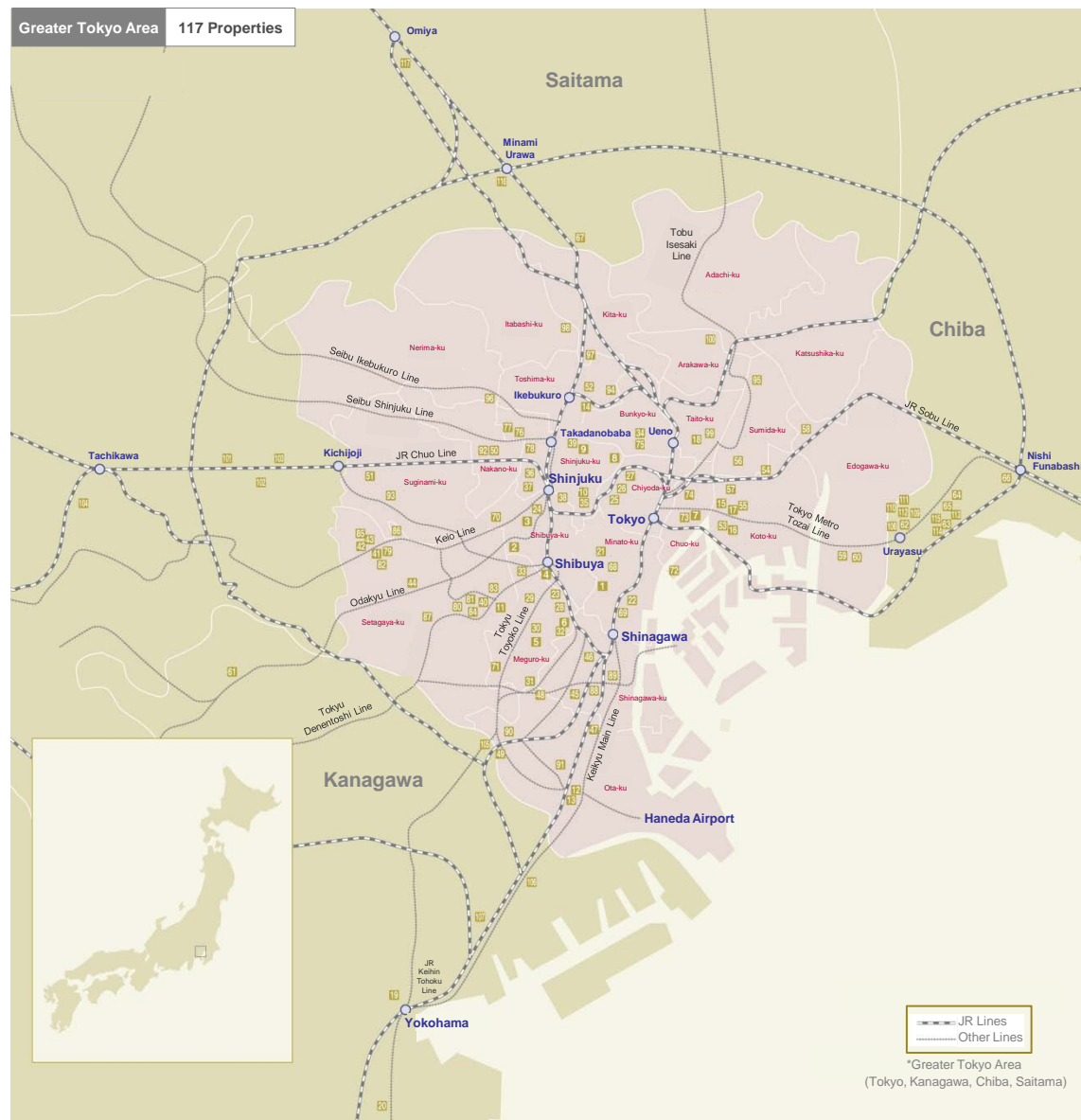
Portfolio Map (143 Properties: Greater Tokyo Area 116 Properties)



NOMURA
Residential Fund

Greater Tokyo Area

- | | |
|--------------------------------------|---------------------------------------|
| 1 PROUD FLAT Shirokane Takanawa | 61 PRIME URBAN Kasai II |
| 2 PROUD FLAT Yoyogi Uehara | 62 PRIME URBAN Shinyurigaoka |
| 3 PROUD FLAT Hatsudai | 63 PRIME URBAN Urayasu |
| 4 PROUD FLAT Shibuya Sakuragaoka | 64 PRIME URBAN Gyotoku I |
| 5 PROUD FLAT Gakugei Daigaku | 65 PRIME URBAN Gyotoku II |
| 6 PROUD FLAT Meguro Gyoninzaka | 66 PRIME URBAN Gyotoku Ekimae |
| 7 PROUD FLAT Sumida Riverside | 67 PRIME URBAN Nishi Funabashi |
| 8 PROUD FLAT Kagurazaka | 68 PRIME URBAN Kawaguchi |
| 9 PROUD FLAT Waseda | 69 URBAN STAGE Azabu Juban |
| 10 PROUD FLAT Shinjuku Kawadacho | 70 URBAN STAGE Shibaura LOFT |
| 11 PROUD FLAT Sangen Jaya | 71 URBAN STAGE Hatagaya |
| 12 PROUD FLAT Kamata | 72 URBAN STAGE Toritsu Daigaku |
| 13 PROUD FLAT Kamata II | 73 URBAN STAGE Kachidoki |
| 14 PROUD FLAT Shinotsuka | 74 URBAN STAGE Shinkawa |
| 15 PROUD FLAT Kiyosumi Shirakawa | 75 URBAN STAGE Nihonbashi Yokoyamacho |
| 16 PROUD FLAT Monzen Nakacho II | 76 URBAN STAGE Hongo Ikizaka |
| 17 PROUD FLAT Monzen Nakacho I | 77 URBAN STAGE Naka Ochiai |
| 18 PROUD FLAT Asakusa Komagata | 78 URBAN STAGE Ochiai |
| 19 PROUD FLAT Yokohama | 79 URBAN STAGE Shinjuku Ochiai |
| 20 PROUD FLAT Kamioooka | 80 URBAN STAGE Roka Koen |
| 21 PRIME URBAN Akasaka | 81 URBAN STAGE Kamiura |
| 22 PRIME URBAN Tamachi | 82 URBAN STAGE Sangen Jaya |
| 23 PRIME URBAN Ebisu Minami | 83 URBAN STAGE Chitose Karasuyama |
| 24 PRIME URBAN Yoyogi | 84 URBAN STAGE Sangen Jaya II |
| 25 PRIME URBAN Bancho | 85 URBAN STAGE Komazawa |
| 26 PRIME URBAN Chiyoda Fujimi | 86 URBAN STAGE Karasuyama |
| 27 PRIME URBAN Iidabashi | 87 URBAN STAGE Kamikitazawa |
| 28 PRIME URBAN Ebisu | 88 URBAN STAGE Yoga |
| 29 PRIME URBAN Naka Meguro | 89 URBAN STAGE Oimachi |
| 30 PRIME URBAN Gakugei Daigaku | 90 URBAN STAGE Oimachi II |
| 31 PRIME URBAN Senzoku | 91 URBAN STAGE Yukigaya |
| 32 PRIME URBAN Meguro Riverside | 92 URBAN STAGE Ikegami |
| 33 PRIME URBAN Meguro Ohashi Hills | 93 URBAN STAGE Nakano |
| 34 PRIME URBAN Hakusan | 94 URBAN STAGE Takaido |
| 35 PRIME URBAN Yotsuya Gaien Higashi | 95 URBAN STAGE Komagome |
| 36 PRIME URBAN Nishi Shinjuku I | 96 URBAN STAGE Mukojima |
| 37 PRIME URBAN Nishi Shinjuku II | 97 URBAN STAGE Ekoda |
| 38 PRIME URBAN Shinjuku Naitomachi | 98 URBAN STAGE Takinokawa |
| 39 PRIME URBAN Nishi Waseda | 99 URBAN STAGE Itabashi Kuyakushomae |
| 40 PRIME URBAN Sangen Jaya | 100 URBAN STAGE Asakusa |
| 41 PRIME URBAN Minami Karasuyama | 101 URBAN STAGE Machiya |
| 42 PRIME URBAN Karasuyama Galleria | 102 URBAN STAGE Koganei |
| 43 PRIME URBAN Karasuyama Court | 103 URBAN STAGE Musashi Koganei |
| 44 PRIME URBAN Chitose Funabashi | 104 URBAN STAGE Musashino Hills |
| 45 PRIME URBAN Shinagawa Nishi | 105 URBAN STAGE Hino |
| 46 PRIME URBAN Osaki | 106 URBAN STAGE Musashi Kosugi comodo |
| 47 PRIME URBAN Omori | 107 URBAN STAGE Kawasaki |
| 48 PRIME URBAN Kita Senzoku | 108 URBAN STAGE Tsurumi Teraya |
| 49 PRIME URBAN Denenchofu Minami | 109 URBAN STAGE Urayasu |
| 50 PRIME URBAN Nakano Kamitakada | 110 URBAN STAGE Minami Gyotoku I |
| 51 PRIME URBAN Nishi Ogikubo | 111 URBAN STAGE Minami Gyotoku II |
| 52 PRIME URBAN Otsuka | 112 URBAN STAGE Minami Gyotoku III |
| 53 PRIME URBAN Monzen Nakacho | 113 URBAN STAGE Minami Gyotoku IV |
| 54 PRIME URBAN Kameido | 114 URBAN STAGE Gyotoku Ekimae |
| 55 PRIME URBAN Sumiyoshi | 115 URBAN STAGE Minami Gyotoku V |
| 56 PRIME URBAN Kinshi Koen | 116 URBAN STAGE Gyotoku |
| 57 PRIME URBAN Kinshicho | 117 URBAN STAGE Minami Urawa |
| 58 PRIME URBAN Hirai | 118 URBAN STAGE Yono Hommachi |
| 59 PRIME URBAN Kasai | |



Portfolio Map (143 Properties: Other Areas 27 Properties)



NOMURA
Residential Fund

Sapporo

- 100 PRIME URBAN Yamahana
- 101 PRIME URBAN Kita Juyo Jo
- 102 PRIME URBAN Odori Koen I
- 103 PRIME URBAN Odori Koen II
- 104 PRIME URBAN Kita Juichi Jo
- 105 PRIME URBAN Miyanosawa
- 106 PRIME URBAN Odori Higashi
- 107 PRIME URBAN Chiji Kokan
- 108 PRIME URBAN Maruyama
- 109 PRIME URBAN Kita Nijuyo Jo
- 110 PRIME URBAN Sapporo Idaimae

Sendai

- 111 PROUD FLAT Itsutsubashi
- 112 PROUD FLAT Kawaramachi
- 113 PRIME URBAN Nagamachi Icchome
- 114 PRIME URBAN Yotome Chuo
- 115 URBAN STAGE Tsutsumidori Amamiya

Nagoya

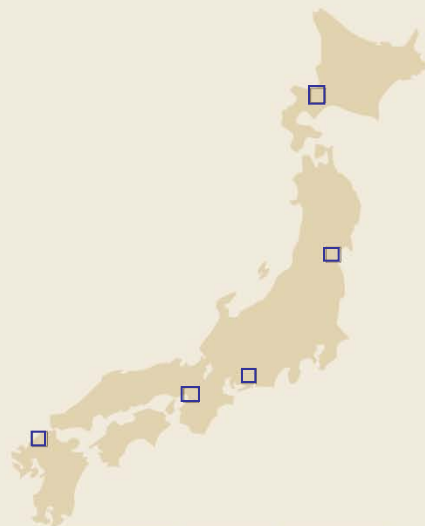
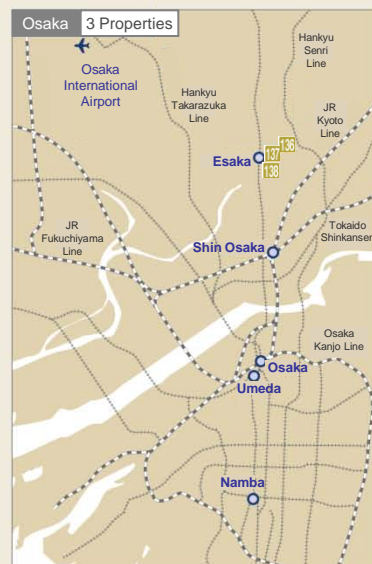
- 116 PRIME URBAN Aoi
- 117 PRIME URBAN Kanayama
- 118 PRIME URBAN Tsurumai

Osaka

- 119 PRIME URBAN Esaka I
- 120 PRIME URBAN Esaka II
- 121 PRIME URBAN Esaka III

Fukuoka

- 122 Benefis Hakata Grand Sweet
- 123 Benefis Yakuin Minami
- 124 Benefis Kashii Verbeno
- 125 Benefis Hakata Higashi Grand Sweet
- 126 Benefis Chihaya Grand Sweet



*Other Areas (3 major metropolitan areas (excluding Tokyo) and other government designated cities)

Portfolio (Eighth Fiscal Period End)



NOMURA
Residential Fund

#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (end of 8th FP)(%)
1	PROUD FLAT Shirokane Takanawa	Minato-ku, Tokyo	3,510,000	2.6	2,950.11	106	94.3
2	PROUD FLAT Yoyogi Uehara	Shibuya-ku, Tokyo	1,100,000	0.8	1,151.34	44	100.0
3	PROUD FLAT Hatsudai	Shibuya-ku, Tokyo	865,000	0.6	958.98	31	100.0
4	PROUD FLAT Shibuya Sakuragaoka	Shibuya-ku, Tokyo	800,000	0.6	638.70	30	93.3
5	PROUD FLAT Gakugei Daigaku	Meguro-ku, Tokyo	812,000	0.6	934.39	41	91.8
6	PROUD FLAT Meguro Gyoninzaka	Meguro-ku, Tokyo	882,000	0.7	855.23	40	97.5
7	PROUD FLAT Sumida Riverside	Chuo-ku, Tokyo	2,260,000	1.7	3,055.21	110	97.7
8	PROUD FLAT Kagurazaka	Shinjuku-ku, Tokyo	1,540,000	1.2	1,793.43	70	97.6
9	PROUD FLAT Waseda	Shinjuku-ku, Tokyo	1,110,000	0.8	1,450.91	60	97.2
10	PROUD FLAT Shinjuku Kawadacho	Shinjuku-ku, Tokyo	1,010,000	0.8	1,102.20	41	100.0
11	PROUD FLAT Sangen Jaya	Setagaya-ku, Tokyo	1,350,000	1.0	1,277.82	48	94.5
12	PROUD FLAT Kamata	Ota-ku, Tokyo	1,140,000	0.9	1,541.64	67	97.2
13	PROUD FLAT Kamata II	Ota-ku, Tokyo	2,980,000	2.2	4,051.72	169	96.6
14	PROUD FLAT Shinotsuka	Toshima-ku, Tokyo	695,000	0.5	752.09	35	97.2
15	PROUD FLAT Kiyosumi Shirakawa	Koto-ku, Tokyo	900,000	0.7	1,209.56	55	100.0
16	PROUD FLAT Monzen Nakacho II	Koto-ku, Tokyo	650,000	0.5	830.55	35	100.0
17	PROUD FLAT Monzen Nakacho I	Koto-ku, Tokyo	1,130,000	0.8	1,191.08	55	96.3
18	PROUD FLAT Asakusa Komagata	Taito-ku, Tokyo	1,960,000	1.5	2,685.39	79	93.4
19	PROUD FLAT Yokohama	Yokohama-shi, Kanagawa	2,340,000	1.8	3,118.12	113	99.1
20	PROUD FLAT Kamioooka	Yokohama-shi, Kanagawa	2,770,000	2.1	4,872.17	200	100.0
21	PRIME URBAN Akasaka	Minato-ku, Tokyo	956,000	0.7	1,062.05	25	94.4
22	PRIME URBAN Tamachi	Minato-ku, Tokyo	941,000	0.7	1,107.36	48	100.0
23	PRIME URBAN Ebisu Minami	Shibuya-ku, Tokyo	947,000	0.7	881.89	21	100.0
24	PRIME URBAN Yoyogi	Shibuya-ku, Tokyo	408,000	0.3	439.56	19	90.1
25	PRIME URBAN Bancho	Chiyoda-ku, Tokyo	1,170,000	0.9	1,277.04	52	96.1
26	PRIME URBAN Chiyoda Fujimi	Chiyoda-ku, Tokyo	707,000	0.5	793.87	32	93.5
27	PRIME URBAN Iidabashi	Chiyoda-ku, Tokyo	2,030,000	1.5	2,087.70	90	98.9
28	PRIME URBAN Ebisu	Meguro-ku, Tokyo	1,200,000	0.9	1,444.40	29	93.0
29	PRIME URBAN Naka Meguro	Meguro-ku, Tokyo	1,320,000	1.0	1,302.42	49	95.9
30	PRIME URBAN Gakugei Daigaku	Meguro-ku, Tokyo	886,000	0.7	1,008.39	32	100.0
31	PRIME URBAN Senzoku	Meguro-ku, Tokyo	536,000	0.4	655.27	22	93.7
32	PRIME URBAN Meguro Riverside	Meguro-ku, Tokyo	464,000	0.3	453.77	24	95.6
33	PRIME URBAN Meguro Ohashi Hills	Meguro-ku, Tokyo	3,580,000	2.7	2,955.74	99	96.6
34	PRIME URBAN Hakusan	Bunkyo-ku, Tokyo	893,000	0.7	1,069.82	42	96.4
35	PRIME URBAN Yotsuya Gaien Higashi	Shinjuku-ku, Tokyo	1,700,000	1.3	1,759.11	51	88.4
36	PRIME URBAN Nishi Shinjuku I	Shinjuku-ku, Tokyo	1,290,000	1.0	1,459.86	60	96.8

Portfolio (Eighth Fiscal Period End)



NOMURA
Residential Fund

#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (end of 8th FP)(%)
37	PRIME URBAN Nishi Shinjuku II	Shinjuku-ku, Tokyo	1,000,000	0.7	1,162.55	46	93.6
38	PRIME URBAN Shinjuku Naitomachi	Shinjuku-ku, Tokyo	512,000	0.4	578.18	14	93.0
39	PRIME URBAN Nishi Waseda	Shinjuku-ku, Tokyo	503,000	0.4	507.11	28	100.0
40	PRIME URBAN Sangen Jaya	Setagaya-ku, Tokyo	835,000	0.6	874.15	33	97.1
41	PRIME URBAN Minami Karasuyama	Setagaya-ku, Tokyo	840,000	0.6	1,049.73	41	100.0
42	PRIME URBAN Karasuyama Galleria	Setagaya-ku, Tokyo	645,000	0.5	835.05	33	97.0
43	PRIME URBAN Karasuyama Court	Setagaya-ku, Tokyo	413,000	0.3	576.20	23	95.6
44	PRIME URBAN Chitose Funabashi	Setagaya-ku, Tokyo	885,000	0.7	1,027.44	38	100.0
45	PRIME URBAN Shinagawa Nishi	Shinagawa-ku, Tokyo	624,000	0.5	961.25	46	93.8
46	PRIME URBAN Osaki	Shinagawa-ku, Tokyo	1,700,000	1.3	2,106.16	99	100.0
47	PRIME URBAN Omori	Ota-ku, Tokyo	824,000	0.6	1,190.70	54	96.3
48	PRIME URBAN Kita Senzoku	Ota-ku, Tokyo	576,000	0.4	834.90	46	93.5
49	PRIME URBAN Denenchofu Minami	Ota-ku, Tokyo	900,000	0.7	1,100.17	44	96.1
50	PRIME URBAN Nakano Kamitakada	Nakano-ku, Tokyo	640,000	0.5	818.75	33	92.6
51	PRIME URBAN Nishi Ogikubo	Suginami-ku, Tokyo	435,000	0.3	543.09	24	96.1
52	PRIME URBAN Otsuka	Toshima-ku, Tokyo	794,000	0.6	944.99	46	95.8
53	PRIME URBAN Monzen Nakacho	Koto-ku, Tokyo	2,200,000	1.6	3,207.92	118	98.4
54	PRIME URBAN Kameido	Koto-ku, Tokyo	705,000	0.5	1,117.34	52	98.1
55	PRIME URBAN Sumiyoshi	Koto-ku, Tokyo	552,000	0.4	813.52	40	100.0
56	PRIME URBAN Kinshi Koen	Sumida-ku, Tokyo	1,180,000	0.9	1,886.50	77	97.4
57	PRIME URBAN Kinshicho	Sumida-ku, Tokyo	668,000	0.5	991.62	49	100.0
58	PRIME URBAN Hirai	Edogawa-ku, Tokyo	700,000	0.5	1,095.91	53	94.3
59	PRIME URBAN Kasai	Edogawa-ku, Tokyo	637,000	0.5	905.81	45	77.8
60	PRIME URBAN Kasai II	Edogawa-ku, Tokyo	958,000	0.7	1,437.84	68	95.6
61	PRIME URBAN Shinyurigaoka	Kawasaki-shi, Kanagawa	1,210,000	0.9	1,708.19	64	100.0
62	PRIME URBAN Urayasu	Urayasu-shi, Chiba	840,000	0.6	1,264.84	60	100.0
63	PRIME URBAN Gyotoku I	Ichikawa-shi, Chiba	635,000	0.5	1,151.36	52	90.4
64	PRIME URBAN Gyotoku II	Ichikawa-shi, Chiba	741,000	0.6	1,244.00	58	100.0
65	PRIME URBAN Gyotoku Ekimae	Ichikawa-shi, Chiba	476,000	0.4	778.19	37	100.0
66	PRIME URBAN Nishi Funabashi	Funabashi-shi, Chiba	772,000	0.6	1,237.80	60	95.0
67	PRIME URBAN Kawaguchi	Kawaguchi-shi, Saitama	2,170,000	1.6	2,477.11	98	92.6
68	URBAN STAGE Azabu Juban	Minato-ku, Tokyo	991,000	0.7	1,222.13	40	97.3
69	URBAN STAGE Shibaura LOFT	Minato-ku, Tokyo	1,510,000	1.1	1,905.39	68	100.0
70	URBAN STAGE Hatagaya	Shibuya-ku, Tokyo	452,000	0.3	650.60	38	100.0
71	URBAN STAGE Toritsu Daigaku	Meguro-ku, Tokyo	524,000	0.4	996.81	16	100.0
72	URBAN STAGE Kachidoki	Chuo-ku, Tokyo	2,290,000	1.7	4,524.00	145	99.6

Portfolio (Eighth Fiscal Period End)



NOMURA
Residential Fund

#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (end of 8th FP)(%)
73	URBAN STAGE Shinkawa	Chuo-ku, Tokyo	2,250,000	1.7	3,600.61	46	98.3
74	URBAN STAGE Nihonbashi Yokoyamacho	Chuo-ku, Tokyo	3,530,000	2.6	5,926.17	124	94.6
75	URBAN STAGE Hongo Ikizaka	Bunkyo-ku, Tokyo	647,000	0.5	662.58	27	88.9
76	URBAN STAGE Naka Ochiai	Shinjuku-ku, Tokyo	655,000	0.5	1,237.98	18	88.6
77	URBAN STAGE Ochiai	Shinjuku-ku, Tokyo	324,000	0.2	517.53	32	100.0
78	URBAN STAGE Shinjuku Ochiai	Shinjuku-ku, Tokyo	635,000	0.5	1,053.39	28	97.8
79	URBAN STAGE Roka Koen	Setagaya-ku, Tokyo	362,000	0.3	567.20	34	100.0
80	URBAN STAGE Kamiuma	Setagaya-ku, Tokyo	900,000	0.7	1,739.86	37	95.8
81	URBAN STAGE Sangen Jaya	Setagaya-ku, Tokyo	755,000	0.6	1,018.72	47	95.2
82	URBAN STAGE Chitose Karasuyama	Setagaya-ku, Tokyo	730,000	0.5	1,774.01	27	100.0
83	URBAN STAGE Sangen Jaya II	Setagaya-ku, Tokyo	539,000	0.4	810.98	17	71.5
84	URBAN STAGE Komazawa	Setagaya-ku, Tokyo	396,000	0.3	572.41	26	92.3
85	URBAN STAGE Karasuyama	Setagaya-ku, Tokyo	344,000	0.3	507.52	28	96.7
86	URBAN STAGE Kamikitazawa	Setagaya-ku, Tokyo	738,000	0.6	1,384.45	29	88.7
87	URBAN STAGE Yoga	Setagaya-ku, Tokyo	1,150,000	0.9	1,773.05	54	90.8
88	URBAN STAGE Oimachi	Shinagawa-ku, Tokyo	530,000	0.4	722.70	45	95.6
89	URBAN STAGE Oimachi II	Shinagawa-ku, Tokyo	1,100,000	0.8	1,782.26	93	95.2
90	URBAN STAGE Yukigaya	Ota-ku, Tokyo	970,000	0.7	1,536.59	94	96.8
91	URBAN STAGE Ikegami	Ota-ku, Tokyo	1,460,000	1.1	2,456.48	95	100.0
92	URBAN STAGE Nakano	Nakano-ku, Tokyo	472,000	0.4	801.30	51	100.0
93	URBAN STAGE Takaido	Suginami-ku, Tokyo	1,080,000	0.8	1,746.20	107	96.3
94	URBAN STAGE Komagome	Toshima-ku, Tokyo	412,000	0.3	990.18	19	92.1
95	URBAN STAGE Mukojima	Sumida-ku, Tokyo	487,000	0.4	1,108.91	55	90.8
96	URBAN STAGE Ekoda	Nerima-ku, Tokyo	385,000	0.3	872.49	35	96.8
97	URBAN STAGE Takinokawa	Kita-ku, Tokyo	287,000	0.2	554.39	29	100.0
98	URBAN STAGE Itabashi Kuyakushomae	Itabashi-ku, Tokyo	940,000	0.7	1,742.64	68	90.3
99	URBAN STAGE Asakusa	Taito-ku, Tokyo	350,000	0.3	876.70	22	100.0
100	URBAN STAGE Machiya	Arakawa-ku, Tokyo	210,000	0.2	455.19	26	100.0
101	URBAN STAGE Koganei	Koganei-shi, Tokyo	229,000	0.2	682.43	27	97.6
102	URBAN STAGE Musashi Koganei	Koganei-shi, Tokyo	2,390,000	1.8	5,999.80	98	94.9
103	URBAN STAGE Musashino Hills	Koganei-shi, Tokyo	1,590,000	1.2	2,961.06	80	94.7
104	URBAN STAGE Hino	Hino-shi, Tokyo	319,000	0.2	994.68	54	94.4
105	URBAN STAGE Musashi Kosugi comodo	Nakahara-shi, Kanagawa	2,150,000	1.6	3,690.37	56	100.0
106	URBAN STAGE Kawasaki	Kawasaki-shi, Kanagawa	1,150,000	0.9	1,706.46	80	96.7
107	URBAN STAGE Tsurumi Teraya	Yokohama-shi, Kanagawa	457,000	0.3	952.06	50	97.9
108	URBAN STAGE Urayasu	Urayasu-shi, Chiba	277,000	0.2	437.94	27	70.4

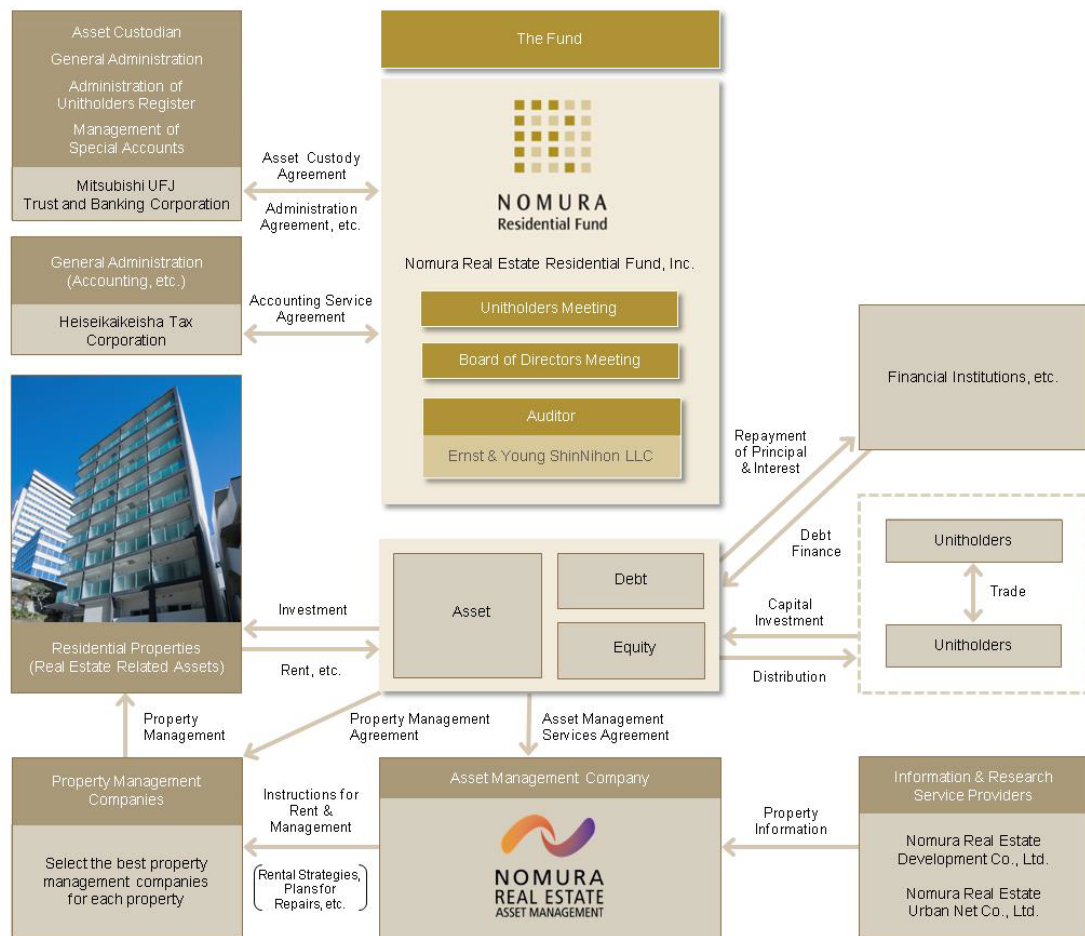
Portfolio (Eighth Fiscal Period End)



NOMURA
Residential Fund

#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (end of 8th FP)(%)
109	URBAN STAGE Minami Gyotoku I	Ichikawa-shi, Chiba	357,000	0.3	682.05	41	55.8
110	URBAN STAGE Minami Gyotoku II	Ichikawa-shi, Chiba	285,000	0.2	611.61	37	91.9
111	URBAN STAGE Minami Gyotoku III	Ichikawa-shi, Chiba	263,000	0.2	543.84	33	79.0
112	URBAN STAGE Minami Gyotoku IV	Ichikawa-shi, Chiba	256,000	0.2	535.08	32	100.0
113	URBAN STAGE Gyotoku Ekimae	Ichikawa-shi, Chiba	561,000	0.4	927.33	46	93.5
114	URBAN STAGE Minami Gyotoku V	Ichikawa-shi, Chiba	293,000	0.2	662.68	38	80.0
115	URBAN STAGE Gyotoku	Ichikawa-shi, Chiba	948,000	0.7	1,766.47	77	100.0
116	URBAN STAGE Minami Urawa	Saitama-shi, Saitama	274,000	0.2	694.05	32	96.4
117	URBAN STAGE Yono Hommachi	Saitama-shi, Saitama	519,000	0.4	1,372.74	70	92.9
Greater Tokyo Area			116,125,000	87.0	165,919.33	6,201	96.0
118	PROUD FLAT Itsutsubashi	Sendai-shi, Miyagi	682,000	0.5	1,861.56	60	98.7
119	PROUD FLAT Kawaramachi	Sendai-shi, Miyagi	724,000	0.5	1,967.54	64	96.6
120	PRIME URBAN Yamahana	Sapporo-shi, Hokkaido	377,000	0.3	1,518.58	33	94.4
121	PRIME URBAN Kita Juyo Jo	Sapporo-shi, Hokkaido	336,000	0.3	1,155.60	36	97.6
122	PRIME URBAN Odori Koen I	Sapporo-shi, Hokkaido	530,000	0.4	1,850.20	53	100.0
123	PRIME URBAN Odori Koen II	Sapporo-shi, Hokkaido	322,000	0.2	1,148.72	36	100.0
124	PRIME URBAN Kita Juichi Jo	Sapporo-shi, Hokkaido	600,000	0.4	1,851.39	60	98.3
125	PRIME URBAN Miyanosawa	Sapporo-shi, Hokkaido	576,200	0.4	2,114.53	54	91.2
126	PRIME URBAN Odori Higashi	Sapporo-shi, Hokkaido	424,000	0.3	1,494.36	36	100.0
127	PRIME URBAN Chiji Koukan	Sapporo-shi, Hokkaido	337,900	0.3	1,007.30	42	97.6
128	PRIME URBAN Maruyama	Sapporo-shi, Hokkaido	283,200	0.2	911.07	27	96.3
129	PRIME URBAN Kita Nijuyo Jo	Sapporo-shi, Hokkaido	503,700	0.4	1,773.90	36	94.5
130	PRIME URBAN Sapporo Idaimae	Sapporo-shi, Hokkaido	731,600	0.5	2,439.90	58	97.8
131	PRIME URBAN Nagamachi Icchome	Sendai-shi, Miyagi	1,110,000	0.8	3,411.24	60	100.0
132	PRIME URBAN Yaotome Chuo	Sendai-shi, Miyagi	428,000	0.3	1,380.21	43	95.6
133	PRIME URBAN Aoi	Nagoya-shi, Aichi	724,000	0.5	1,571.04	46	96.1
134	PRIME URBAN Kanayama	Nagoya-shi, Aichi	632,000	0.5	1,391.02	58	100.0
135	PRIME URBAN Tsurumai	Nagoya-shi, Aichi	1,189,096	0.9	2,502.11	104	98.1
136	PRIME URBAN Esaka I	Suita-shi, Osaka	672,000	0.5	1,189.12	48	100.0
137	PRIME URBAN Esaka II	Suita-shi, Osaka	790,000	0.6	1,392.00	57	96.6
138	PRIME URBAN Esaka III	Suita-shi, Osaka	1,535,000	1.2	2,151.67	79	100.0
139	URBAN STAGE Tsutsumidori Amamiya	Sendai-shi, Miyagi	969,000	0.7	4,251.91	65	95.5
140	Benefis Hakata Grand Suite	Fukuoka-shi, Fukuoka	830,000	0.6	2,176.23	67	95.4
141	Benefis Yakuin Minami	Fukuoka-shi, Fukuoka	351,000	0.3	897.84	34	91.7
142	Benefis Kashii Verbena	Fukuoka-shi, Fukuoka	396,000	0.3	1,222.34	39	100.0
143	Benefis Hakata Higashi Grand Suite	Fukuoka-shi, Fukuoka	693,000	0.5	1,854.13	65	92.4
144	Benefis Chihaya Grand Suite	Fukuoka-shi, Fukuoka	545,000	0.4	1,740.70	48	100.0
Other Areas			17,291,696	13.0	48,226.21	1,408	97.2
Total			133,416,696	100.0	214,145.54	7,609	96.3

Structure



History

July 28, 2006

Notification of incorporation by the founder (Nomura Real Estate Asset Management Co., Ltd.) under Article 69 of the Investment Trust Law.

August 3, 2006

Registration of incorporation under Article 166 of the Investment Trust Law. Incorporation of the Nomura Real Estate Residential Fund, Inc.

August 4, 2006

Applied for registration under Article 188 of the Investment Trust Law.

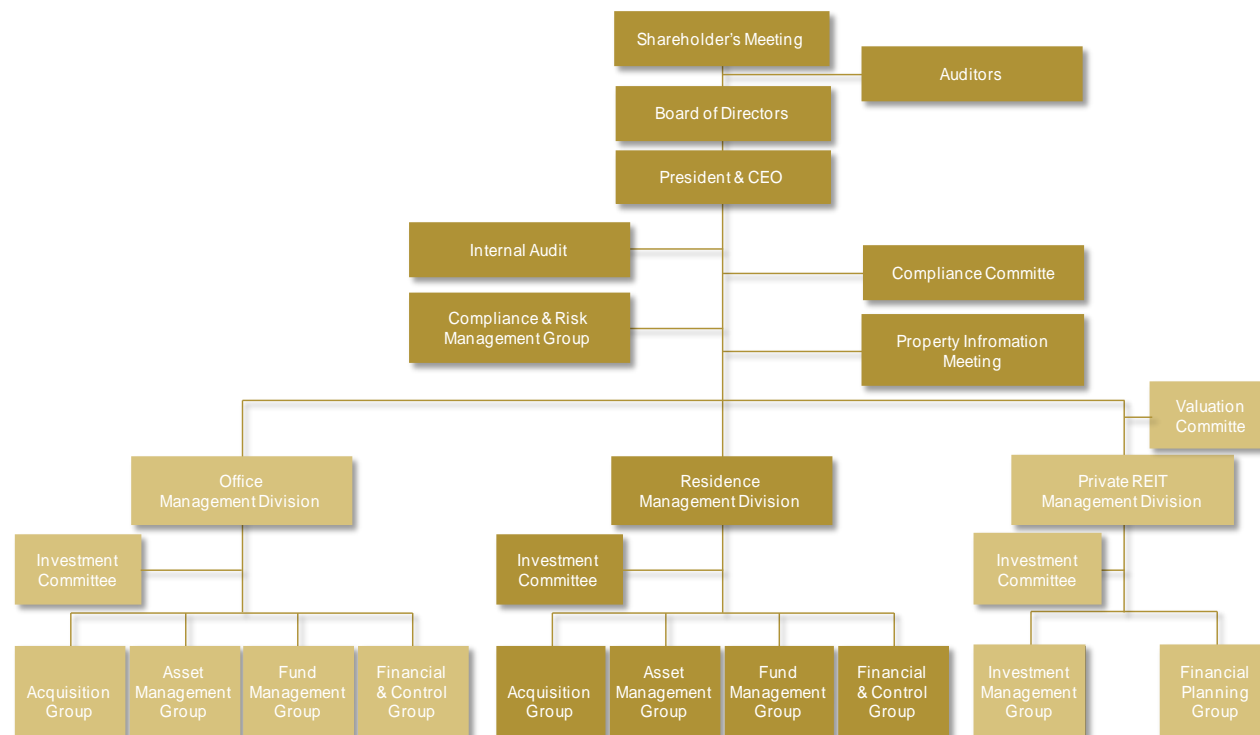
August 24, 2006

Registration approved by the Prime Minister of Japan under Article 187 of the Investment Trust Law (Registration number 56, filed with the Director of the Kanto Local Finance Bureau).

February 14, 2007

Listing on the Tokyo Stock Exchange.

Structure



Corporate Data of NREAM

Name

Nomura Real Estate Asset Management Co., Ltd.

Date of Establishment

January 24, 2003

Capital

¥300,000,000

Shareholder

Nomura Real Estate Holdings, Inc. (100%)

Representative

Atsushi Ogata, President & CEO (since Apr. 2010)

Description of Business

Asset management business for investment corporations (J-REITs)

Registration & Licenses

- Registered for a financial instruments business:
Director of Kanto Local Finance Bureau No. 374
- Licensed for discretionary proxy in realty trading:
Minister of Land, Infrastructure and Transport No. 18
- Licensed for real estate trading:
Governor of Tokyo No. (2) 81679



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The forecast statements with respect to the future financial results contained in this document should not be construed as a guarantee of the actual performance in the future.

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