

September 20, 2007

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities
1-1, Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo 103-0022
Nippon Accommodations Fund Inc.
Representative Executive Director Nobuyuki Nakai
(Code number 3226)

Investment Trust Management Company
Mitsui Fudosan Accommodations Fund Management Co., Ltd.
Representative President and CEO Nobuyuki Nakai
Contact CFO and Director Morio Shibata
(TEL 03-3246-3677)

Notification of Acquisition of Assets

This is a notification that Nippon Accommodations Fund Inc. ("NAF") decided on the acquisition of assets, and has completed the acquisition today as shown below.

1. Overview of acquisitions

	Name of Property Acquired	Type of Property Acquired	Acquisition Price (Note 1) (yen)
Property 1	Park Axis Akihabara	Real Estate	1,200,000,000
Property 2	Park Axis Toyochō	Real Estate	3,950,000,000
Property 3	Park Axis Takinogawa	Real Estate	1,820,000,000
Property 4	Park Axis Asakusabashi	Real Estate	2,717,200,000
Property 5	Park Axis Marunouchi	Real Estate	1,920,000,000
Property 6	Park Axis Ropponmatsu	Real Estate	1,515,000,000
Property 7	Park Axis Hakataeki Minami	Real Estate	1,890,000,000
Total			15,012,200,000

(Note 1) "Acquisition Price" refers to the sale price (exclusive of miscellaneous expenses for acquisition, fixed property taxes, urban planning taxes, consumption taxes and local consumption taxes. Regarding Property 4 above, this is the total of the sales price and price for transfer of purchase right, etc.) specified in the real estate sales contract for the said property acquired. Regarding the transfer of purchase right etc., please refer to "5. Transactions with related parties, (1) Outline of transactions", below.

(1) Date of conclusion of sales contract September 14, 2007

(2) Date of handover September 14, 2007

(3) Sellers

Properties 1,3,5,7 : Mitsui Fudosan Co., Ltd.
Property 2 : Mitsui Fudosan Co., Ltd. and Kajima Corporation
Property 4 : Mitsui Fudosan Residential Co., Ltd. and Yoei Co., Ltd.
(Seller of purchase right for Yoei Co., Ltd.: Mitsui Fudosan Co., Ltd.)
Property 6 : Nippon Oil Real Estate Co., Ltd. and Mitsui Fudosan Co., Ltd.

(4) Acquisition fund Own funds or loans

(5) Method of payment Full payment at the time of delivery

2. Reason for Acquisition

Based on the provisions for investments and policies on asset management set forth in the by-laws, the decision to acquire these properties was made to ensure the steady growth of the whole portfolio, and for the diversification and improvement of the investment portfolio

in Tokyo's 23 wards and regional hub government-ordinance-designated cities.

3. Description of the properties acquired

(1) Outline of the properties acquired

1) Property 1: Park Axis Akihabara

Name of property acquired		Park Axis Akihabara
Type of property acquired		Real estate
Acquisition price (Note 1)		¥1.2 billion
Appraising organization		Daiwa Real Estate Appraisal Corp.
Appraised value at the time of acquisition (Note 2)		¥1.2 billion
Date of value appraisal (Note 2)		August 31, 2007
Location	Residence indication	16-1, Kandasakuma-cho 3-chome, Chiyoda-ku, Tokyo (district where parcel numbers and residence indications have not been implemented yet)
Land	Building-to-land ratio	80%
	Floor-area ratio	500%
	Zoning	Commercial district
	Site area (Note 3)	310.64m ²
	Ownership form	Proprietorship
Building	Completion date (Note 4)	September 27, 2006
	Structure / Number of stories (Note 5)	Flat-roofed reinforced concrete structure / 9 storeys
	Uses (Note 5)	Apartment building, storages
	Gross floor area (Note 5)	1,683.94m ²
	Ownership form	Proprietorship
	Rentable units	41
	Rentable area	1,346.07m ²
Existence of security interests		None
Special affairs (Note 6)		None
Special features of the property		<p>This property is in an excellent location in terms of accessibility to the closest station and public transportation. It is 4 minutes walk from Akihabara Station on the Tokyo Metro Hibiya Line, about 5 minutes walk from Iwamoto Station on the Toei Subway Shinjuku Line, 6 minutes walk from Akihabara Station on the JR Yamanote Line, Sobu Line, Keihin Tohoku Line, and Tsukuba Express, and 6 minutes walk from Asakusabashi Station on the JR Sobu Line.</p> <p>This area is located in the city center, with good access to major business districts and commercial areas, and is adjacent to the Akihabara area, so demand can be expected to center on single people who value transportation and living conveniences.</p> <p>Furthermore, this property is certified as a Tokyo crime prevention apartment building.</p>

Details of tenants (Note 7)	Total number of tenants	1
	Rentable units	41
	Rented units	39
	Rentable area (m ²)	1,346.07
	Rented area (m ²)	1,266.91

2) Property 2: Park Axis Toyoko

Name of property acquired		Park Axis Toyoko
Type of property acquired		Real estate
Acquisition price (Note 1)		¥3,950 million
Appraising organization		Daiwa Real Estate Appraisal Corp.
Appraised value at the time of acquisition (Note 2)		¥3,950 million
Date of value appraisal (Note 2)		July 31, 2007
Location	Residence indication	29-10 Shiohama 2-chome, Koto-ku, Tokyo
Land	Building-to-land ratio	60%
	Floor-area ratio	300%
	Zoning	Light-industrial district
	Site area (Note 3)	1,950.00m ²
	Ownership form	Proprietorship
Building	Completion date (Note 4)	March 22, 2007
	Structure / Number of stories (Note 5)	Flat-roofed reinforced concrete structure / 15 storeys
	Uses (Note 5)	Apartment building, parking lots for cars, storages
	Gross floor area (Note 5)	6,909.69m ²
	Ownership form	Proprietorship
	Rentable units	140
	Rentable area	5,412.40m ²
Existence of security interests		None
Special affairs (Note 6)		None
Special features of the property		<p>This property has good accessibility to the nearest station and convenient transportation. It is located 8 minutes walk from the Toyoko Station on the Tokyo Metro Tozai Line.</p> <p>This is a good area from the aspect of transportation convenience, with good access to major business districts and commercial areas. It has a good living environment, as its location faces the Shiohama Canal, so rental demand can be expected from families in addition to single people.</p>

Details of tenants (Note 7)	Total number of tenants	1
	Rentable units	140
	Rented units	124
	Rentable area (m ²)	5,412.40
	Rented area (m ²)	4,792.70

3) Property 3: Park Axis Takenogawa

Name of property acquired		Park Axis Takenogawa
Type of property acquired		Real estate
Acquisition price (Note 1)		¥1,820 million
Appraising organization		Morii Appraisal & Investment Consulting, Inc.
Appraised value at the time of acquisition (Note 2)		¥1,830 million
Date of value appraisal (Note 2)		August 31, 2007
Location	Residence indication	48-11 Takenogawa 3-chome, Kita-ku, Tokyo
Land	Building-to-land ratio	60%
	Floor-area ratio	200%
	Zoning	Exclusively Residential Zone for Medium-and High-rise Buildings (Class1)
	Site area (Note 3)	1,528.25m ²
	Ownership form	Proprietorship
Building	Completion date (Note 4)	March 31, 2007
	Structure / Number of stories (Note 5)	Flat-roofed reinforced concrete structure / 7 storeys
	Uses (Note 5)	Apartment building, shop, storages
	Gross floor area (Note 5)	3,034.20m ²
	Ownership form	Proprietorship
	Rentable units	48 residencials, 1 retail
	Rentable area	2,924.75m ²
Existence of security interests		None
Special affairs (Note 6)		None
Special features of the property		<p>This property is in a good location in terms of accessibility to stations and transportation convenience. It is a 9 minutes walk from the Nishisugamo Station and Shin-Itabashi Station on the Toei Subway Mita Line, and 12 minutes walk from Itabashi Station on the JR Saikyo Line.</p> <p>While this property is located in a quiet residential area, it has good access to major business districts and commercial areas, so rental demand can be expected to center on families which value transportation convenience and the living environment.</p>

Details of tenants (Note 7)	Total number of tenants	1
	Rentable units	48 residencials, 1 retail
	Rented units	47 residencials, 1 retail
	Rentable area (m ²)	2,924.75
	Rented area (m ²)	2,840.22

4) Property 4: Park Axis Asakusabashi

Name of property acquired		Park Axis Asakusabashi
Type of property acquired		Real estate
Acquisition price (Note 1)		¥2,717.2 million (of this, price of real estate: ¥2,638.2 million) (of this, price of purchase right, etc.: ¥79 million)
Appraising organization		Chuo Real Estate Appraisal Co., Ltd.
Appraised value at the time of acquisition (Note 2)		¥2,720 million
Date of value appraisal (Note 2)		July 31, 2007
Location	Residence indication	6-2 Yanagibashi 2-chome, Taito-ku, Tokyo
Land	Building-to-land ratio	80%
	Floor-area ratio	700%
	Zoning	Commercial district
	Site area (Note 3)	509.55m ²
	Ownership form	Proprietorship
Building	Completion date (Note 4)	July 10, 2007
	Structure / Number of stories (Note 5)	Flat-roofed reinforced concrete structure / 14 storeys above ground and 1 underground storey
	Uses (Note 5)	Apartment building, shop, parking lots for cars, parking lots for bicycles, storages
	Gross floor area (Note 5)	4,430.58m ²
	Ownership form	Proprietorship
	Rentable units	78 residentials, 1 retail
	Rentable area	3,400.78m ²
Existence of security interests		None
Special affairs (Note 6)		This acquired asset was owned jointly by Mitsui Fudosan Residential Co., Ltd. and Yoei Co., Ltd. Mitsui Fudosan Co., Ltd. had concluded a sales contract with Yoei Co., Ltd. regarding its joint ownership. NAF received transfer of the purchase right in that sales contract from Mitsui Fudosan Co., Ltd., and acquired the joint ownership share of Yoei Co., Ltd., along with acquiring the joint ownership share from Mitsui Fudosan Residential Co., Ltd. NAF thereby acquired full ownership of the asset.
Special features of the property		<p>This property has excellent accessibility to the nearest station, with a 1 minute walk from Asakusabashi Station on the Toei Subway Asakusa Line, and 2 minutes walk from Asakusabashi Station on the JR Sobu Line.</p> <p>This property's surroundings are also very convenient in terms of daily life, with many restaurants, retail stores, etc.</p> <p>This area is located in the city center, with good access to major business districts and commercial areas, so steady rental demand can be expected to center on single people and small households, who value transportation convenience and the living environment.</p>

Details of tenants (Note 7)	Total number of tenants	1
	Rentable units	78 residentials, 1 retail
	Rented units	78 residentials, 1 retail
	Rentable area (m ²)	3,400.78
	Rented area (m ²)	3,400.78

5) Property 5: Park Axis Marunouchi

Name of property acquired		Park Axis Marunouchi
Type of property acquired		Real estate
Acquisition price (Note 1)		¥1,920 million
Appraising organization		Daiwa Real Estate Appraisal Corp.
Appraised value at the time of acquisition (Note 2)		¥1,930 million
Date of value appraisal (Note 2)		August 31, 2007
Location	Residence indication	19-3 Marunouchi 2-chome, Naka-ku, Nagoya City, Aichi Prefecture
Land	Building-to-land ratio	80%
	Floor-area ratio	600% 800%
	Zoning	Commercial district
	Site area (Note 3)	668.20m ²
	Ownership form	Proprietorship
Building	Completion date (Note 4)	November 1, 2006
	Structure / Number of stories (Note 5)	Flat-roofed reinforced concrete structure / 15 storeys
	Uses (Note 5)	Apartment building, shop, pump room, warehouse, storages, parking lots for cars
	Gross floor area (Note 5)	4,082.16m ²
	Ownership form	Proprietorship
	Rentable units	98 residentials, 1 retail
	Rentable area	3,821.75m ²
Existence of security interests		None
Special affairs (Note 6)		None
Special features of the property		<p>This property has excellent accessibility to the nearest station, with a 1 minute walk from Marunouchi Station on the Nagoya Municipal Subway Tsurumai Line.</p> <p>This area is located in the center of Nagoya City, with good access to major business districts, the government district, and also to commercial districts such as the Sakae Area, so rental demand can be expected to center on single people who value transportation convenience and living convenience.</p>

Details of tenants (Note 7)	Total number of tenants	1
	Rentable units	98 residentials, 1 retail
	Rented units	96 residentials, 1 retail
	Rentable area (m ²)	3,821.75
	Rented area (m ²)	3,716.70

6) Property 6: Park Axis Ropponmatsu

Name of property acquired		Park Axis Ropponmatsu
Type of property acquired		Real estate
Acquisition price (Note 1)		¥1,515 million yen
Appraising organization		Morii Appraisal & Investment Consulting, Inc.
Appraised value at the time of acquisition (Note 2)		¥1,520 million yen
Date of value appraisal (Note 2)		July 31, 2007
Location	Residence indication	13-2 Ropponmatsu 2-chome, Chuo-ku, Fukuoka City, Fukuoka Prefecture
Land	Building-to-land ratio	80%
	Floor-area ratio	400%
	Zoning	Commercial district
	Site area (Note 3)	880.26m ²
	Ownership form	Proprietorship
Building	Completion date (Note 4)	March 22, 2007
	Structure / Number of stories (Note 5)	Flat-roofed reinforced concrete structure / 12 storeys
	Uses (Note 5)	Apartment building, shop
	Gross floor area (Note 5)	3,639.23m ²
	Ownership form	Proprietorship
	Rentable units	111 residentials, 1 retail
	Rentable area	3,473.67m ²
Existence of security interests		None
Special affairs (Note 6)		None
Special features of the property		<p>This property has excellent accessibility to the nearest station, with a 1 minute walk from Ropponmatsu Station on the Fukuoka City Subway Nanakuma Line. It is also located at a 1 minute walk from Ropponmatsu Station of Nishitetsu Bus, with excellent access by bus to Tenjin and the Hakata Ekimae area.</p> <p>This property also located in a good environment, as it faces the Kyushu University Ropponmatsu Campus, so there are many restaurants and retail stores in the surroundings, and it is also near Ohori Park, etc. Rental demand can be expected to center on single people who value transportation convenience and living convenience.</p>

Details of tenants (Note 7)	Total number of tenants	1
	Rentable units	111 residentials, 1 retail
	Rented units	90 residentials, 1 retail
	Rentable area (m ²)	3,473.67
	Rented area (m ²)	2,964.42

7) Property 7: Park Axis Hakataeki Minami

Name of property acquired		Park Axis Hakataeki Minami
Type of property acquired		Real estate
Acquisition price (Note 1)		¥1,890 million
Appraising organization		Morii Appraisal & Investment Consulting, Inc.
Appraised value at the time of acquisition (Note 2)		¥1,910 million
Date of value appraisal (Note 2)		July 31, 2007
Location	Residence indication	5-27 Hakataeki Minami 3-chome, Hakata-ku, Fukuoka Prefecture
Land	Building-to-land ratio	80%
	Floor-area ratio	400%
	Zoning	Commercial district
	Site area (Note 3)	1,223.03m ²
	Ownership form	Proprietorship
Building	Completion date (Note 4)	March 23, 2007
	Structure / Number of stories (Note 5)	Flat-roofed reinforced concrete structure / 12 storeys
	Uses (Note 5)	Apartment building, shop
	Gross floor area (Note 5)	4,874.57m ²
	Ownership form	Proprietorship
	Rentable units	176 residentials, 1 retail
	Rentable area	4,668.29m ²
Existence of security interests		None
Special affairs (Note 6)		None
Special features of the property		<p>This property has good accessibility to the nearest stations and airport. It is 13 minutes walk from Hakata Station on the JR Tokaido Line, Sanyo Shinkansen Line, and Kagoshima Main Line, and 11 minutes from Higashihie Station on the Fukuoka City Subway Airport Line.</p> <p>This area adjoins the Fukuoka City center, with good access to major business districts and commercial areas, so rental demand can be expected to center on single people who value transportation and living convenience.</p>

Details of tenants (Note 7)	Total number of tenants	1
	Rentable units	176 residentials, 1 retail
	Rented units	168 residentials, 1 retail
	Rentable area (m ²)	4,668.29
	Rented area (m ²)	4,482.55

(Note 1) "Acquisition Price" notes the sales price (exclusive of miscellaneous expenses for acquisition, fixed property taxes, urban planning taxes, consumption taxes and local consumption taxes. Regarding Property 4 above, this is the total of the sales price and price for transfer of purchase right, etc.) specified in the real estate sales contract for the property acquired. Regarding the transfer of the purchase right etc., please refer to "5. Transactions with related parties, (1) Outline of transactions", below.

(Note 2) "Appraised Value at the Time of Acquisition" and "Date of Value Appraisal" are stated based on the amount noted in the real estate appraisal report which was prepared for the property acquired. Appraisal reports were prepared by Daiwa Real Estate Appraisal Corp. for properties 1, 2, and 5, by Morii Appraisal & Investment Consulting, Inc. for properties 3, 6, and 7, and by Chuo Real Estate Appraisal Co., Ltd. for property 4.

(Note 3) "Site Area" of the Land item notes the acreage as entered in the register.

(Note 4) "Completion Date" of the Building item notes the date as entered in the register.

(Note 5) "Structure / Number of Storeys", "Uses" and "Gross Floor Area" are stated based on the entries in the register.

(Note 6) "Special Affairs" notes matters which NAF recognizes as important as of today, taking into consideration their effects on title-related matters, use, appraised value, profitability, etc. of the property acquired.

(Note 7) Description of the "Details of Tenants" column:

- (i) "Total number of Tenants" is noted as "1" where a master lease contract (blanket lease contract) has been concluded with a master lease company. As to the properties acquired, a master lease contract has been concluded with Mitsui Fudosan Housing Lease Co., Ltd. as the master lease company, and the above Total Number of Tenants means the total number of tenants after conclusion of the said master lease contract.
- (ii) "Rentable Units" notes the number of rentable units in the property acquired.
- (iii) "Rented Units" and "Rented Area" refers to the situation as of August 31, 2007 based on the data received from the seller.
- (iv) "Rentable Area" notes the total rentable area of the building of the property acquired.

(2) Outline of investigations into the state of the building

1) Property 1: Park Axis Akihabara

Investigations into the state of the building	Commissioned investigation company	Shimizu Corporation
	Urgent repair cost	¥50,000 (Note 1)
	Short term repair cost	—
	Repair & renewal costs thought necessary over the next 12 years	¥16,745,000
	Replacement value	¥362 million
	Date of report on investigations into the state of the building	December 28, 2006
Earthquake risk assessment	PML (Note 2)	7.4%

(Note 1) This urgent repair was performed by NAF before acquiring the property.

2) Property 2: Park Axis Toyochi

Investigations into the state of the building	Commissioned investigation company	Takenaka Corporation
	Urgent repair cost	—
	Short term repair cost	—
	Repair & renewal costs thought necessary over the next 12 years	¥104,520,000
	Replacement value	¥1,404,700,000
	Date of report on investigations into the state of the building	June 29, 2007
Earthquake risk assessment	PML (Note 2)	10.8%

3) Property 3: Park Axis Takinogawa

Investigations into the state of the building	Commissioned investigation company	Sumitomo Mitsui Construction Co., Ltd.
	Urgent repair cost	—
	Short term repair cost	—
	Repair & renewal costs thought necessary over the next 12 years	¥21,739,000
	Replacement value	¥648,033,000
	Date of report on investigations into the state of the building	July 31, 2007

Earthquake risk assessment	PML (Note 2)	5.8%
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4) Property 4: Park Axis Asakusabashi

Investigations into the state of the building	Commissioned investigation company	Sumitomo Mitsui Construction Co., Ltd.
	Urgent repair cost	—
	Short term repair cost	—
	Repair & renewal costs thought necessary over the next 12 years	¥30,384,000
	Replacement value	¥914,226,000
	Date of report on investigations into the state of the building	July 31, 2007
Earthquake risk assessment	PML (Note 2)	8.9%

5) Property 5: Park Axis Marunouchi

Investigations into the state of the building	Commissioned investigation company	Sumitomo Mitsui Construction Co., Ltd.
	Urgent repair cost	—
	Short term repair cost	—
	Repair & renewal costs thought necessary over the next 12 years	¥42,825,000
	Replacement value	¥927,872,000
	Date of report on investigations into the state of the building	February 14, 2007
Earthquake risk assessment	PML (Note 2)	6.1%

6) Property 6: Park Axis Ropponmatsu

Investigations into the state of the building	Commissioned investigation company	Sumitomo Mitsui Construction Co., Ltd.
	Urgent repair cost	—
	Short term repair cost	—
	Repair & renewal costs thought necessary over the next 12 years	¥27,472,000
	Replacement value	¥767,103,000
	Date of report on investigations into the state of the building	September 3, 2007
Earthquake risk assessment	PML (Note 2)	2.2%

7) Property 7: Park Axis Hakataeki Minami

Investigations into the state of the building	Commissioned investigation company	Sumitomo Mitsui Construction Co., Ltd.
	Urgent repair cost	—
	Short term repair cost	—
	Repair & renewal costs thought necessary over the next 12 years	¥31,347,000
	Replacement value	¥926,111,000
	Date of report on investigations into the state of the building	September 3, 2007
Earthquake risk assessment	PML (Note 2)	3.1%

(Note 2) This PML is based on an earthquake risk assessment report of Sumitomo Mitsui Construction Co., Ltd.

However, this earthquake risk assessment report only states the views of the commissioned investigation company, and does not provide any guarantee. PML (Probable Maximum Loss) indicates the rate of expected maximum loss to be caused by earthquakes. In this case, it means the extent of damage to be caused by the biggest earthquake anticipated to happen within the expected duration of service (the biggest earthquake which happens once every 475 years = 10% chance of the biggest earthquake happening once every 50 years), represented by the estimated cost of restoration from the damage as a percentage of the replacement cost.

4. Profiles of the sellers, etc.

(1) Property 1, Property 2 (Note 1), Property 3, Property 4 (Note 2), Property 5, Property 6 (Note 3), Property 7

Trade name	Mitsui Fudosan Co., Ltd.
Address of Head Office	1-1, Nihonbashi Muromachi 2-chome, Chuo-ku, Tokyo
Representative	Hiromichi Iwasa, President and Representative Director
Capital	¥174,296,119,000
Major Shareholders (as of March 31, 2007)	The Master Trust Bank of Japan, Ltd. (trust account) Japan Trustee Services Bank, Ltd. (trust account) State Street Bank and Trust Company The Chuo Mitsui Trust and Banking Company, Ltd. Sumitomo Mitsui Banking Corporation State Street Bank and Trust Company 505103 Mitsui Life Insurance, Co., Ltd. Japan Trustee Services Bank, Ltd. (trust account no.4) Kajima Corporation Mitsui Sumitomo Insurance Co., Limited
Description of Principal Operations	1. Acquisition, ownership, disposition and lease of real estate. 2. Management and use of real estate. 3. Buying, selling, brokerage and appraisal of real estate. 4. Development, preparation and sales of sites for housing, industrial use, etc. 5. Construction and sale of housing. 6. Dredging and reclamation of harbors, rivers, etc. 7. Planning, execution, supervising and performing construction contracts; 8. Ownership, leasing and management of hotels, restaurants, leisure facilities, distribution centers, fee based nursing homes, etc. 9. Management of parking lots. 10. Management of overhead cableway operations. 11. Business based on the Real Estate Specified Joint Enterprise Law. 12. Operations concerning life insurance offering, and insurance agency operations based on the Act on Non-life Insurance and Automobile Liability Security Law. 13. Loans for real estate mortgages and other monetary loans. 14. Investment in specific purpose companies, special purpose companies (companies as provided for in the Regulation for Terminology, Forms and Preparation of Financial Statements) and real-estate investment trusts, and buying and selling, brokerage and management of interests in such investments. 15. Holding, buying and selling, brokerage and management of securities and credit. 16. Investment consulting work for real estate, securities and

	<p>other financial assets.</p> <p>17. Cultivation, buying and selling, storing and management of markets of flowers and ornamental plants, seeds and saplings, vegetables, fruit, etc.</p> <p>18. Raising milk cows and other livestock, and processing, storing, buying and selling of their products.</p> <p>19. Selling of clothing, miscellaneous daily goods, cigarettes, revenue stamps, postal stamps, food and drink.</p> <p>20. Buying, selling, brokerage, import and export of civil engineering and building materials and products related to each of the above items.</p> <p>21. Specified in-house nursing care support operations and the lending of welfare equipment in accordance with the Nursing Care Insurance Law.</p> <p>22. Sales of welfare equipment for in-house nursing care.</p> <p>23. Business incidental or relevant to each of the above items.</p>
Relationship with NAF or investment trust management company	<p>Holds 100% of the outstanding shares of Mitsui Fudosan Accommodations Fund Management Co., Ltd., an investment trust management company, (hereinafter referred to as the “Asset Management Company”) and constitutes a related party (sponsoring party) as provided for in the Asset Management Company’s internal rules.</p>

(2) Property 2 (Note 1)

Trade name	Kajima Corporation
Address of Head Office	3-1, Motoakasaka 1-chome, Minato-ku, Tokyo
Representative	Mitsuyoshi Nakamura, President and Representative Director
Capital	¥81,447,203,000
Major Stockholders (as of March 31, 2007)	<p>Japan Trustee Services Bank, Ltd. (trust account)</p> <p>The Master Trust Bank of Japan, Ltd. (trust account)</p> <p>Japan Trustee Services Bank, Ltd. (trust account no.4)</p> <p>Shoichi Kajima</p> <p>Kajima Employees Shareholding Association</p> <p>Sumitomo Mitsui Banking Corporation</p> <p>Yoshiko Ishikawa</p> <p>The Kajima Foundation</p> <p>The Dai-ichi Mutual Life Insurance Company</p> <p>Itsuko Atsumi</p>
Description of Principal Operations	<p>1. Contracting and consignment of civil engineering, equipment installation, and other general construction work.</p> <p>2. Investigation, research, evaluation, assessment, planning, surveying, design, supervision, purchasing, operations management, technical guidance, and other comprehensive engineering, management, and consulting related to construction projects, regional development, urban development, ocean development, space development, resource development, environmental improvement, energy supply, etc.</p> <p>3. Earth civil works, manufacturing of buildings such as homes, buying, selling, leasing, brokerage, maintenance, management, appraisal, evaluation and consulting for construction and real estate, along with forestation and landscaping operations.</p> <p>4. Design, production, processing, sales, import, export, and leasing of construction and freight transport equipment and facilities, various overhead cableways, cable car railways, pollution prevention equipment and facilities, construction materials, furniture, interior and exterior ornamental items, craftworks, gardening products, etc.</p>

	<p>5. Planning, development, acquisition, licensing, and sales of industrial property rights, copyrights, and various computer software.</p> <p>6. Business related to collection, processing, and provision of various information, telecommunications business, and broadcasting.</p> <p>7. Raising of marine products, research and development on cultivation of agricultural products, and sales of such products.</p> <p>8. Maintenance, security, and janitorial work inside and outside of buildings.</p> <p>9. Collection, transport, disposal, and recycling of general waste and industrial waste, removal of environmental pollutants, related consulting, and operations supplying electricity and heat.</p> <p>10. Planning, construction, ownership, maintenance and operation of roads, railways, harbors, airports, rivers, water supply, sewage systems, government office buildings, waste disposal facilities, and other public facilities and related facilities.</p> <p>11. Ownership, management, and consulting for hotels and other accommodation facilities, sports facilities, health and medical care facilities, rest homes and other welfare facilities, education and training facilities, amusement parks and other recreational facilities, supermarkets and other commercial facilities, warehouses, transportation centers, restaurants, etc.</p> <p>12. Operations related to travel business, land, sea, and air transport business, freight transport handling business, Non-life insurance agency business, offering of life insurance, and labor dispatch business.</p> <p>13. Planning, production, and sales of various media such as advertising, publishing, printing, images and sound, along with planning, creating, operating, and consulting for various events</p> <p>14. Retail business for food products, clothing, pharmaceuticals, tobacco, liquor, postage stamps, books, stationary, daily sundries, agency and sales of memberships including golf memberships, accommodation vouchers and event vouchers, and mail order business.</p> <p>15. Financial business such as loans of money and guarantee of debt, comprehensive lease business.</p> <p>16. All business related or incidental to any of the above items.</p>
Relationship with NAF or investment trust management company	None

(3) Property 4 (Note 2)

Trade name	Mitsui Fudosan Residential Co., Ltd.
Address of Head Office	1-20, Muromachi 3-chome, Nihonbashi, Chuo-ku, Tokyo
Representative	Mitsuhiro Matsumoto, President and Representative Director
Capital	¥40 billion
Shareholder	Mitsui Fudosan Co., Ltd.
Description of Principal Operations	<p>1. Acquisition, ownership, disposition and lease of real estate.</p> <p>2. Management and use of real estate.</p> <p>3. Buying, selling and brokerage of real estate.</p> <p>4. Development, preparation and sales of housing sites, etc.</p> <p>5. Construction and sale of housing.</p> <p>6. Design, execution, supervising and contracting for construction.</p> <p>7. Business based on the Real Estate Specified Joint Enterprise Law.</p> <p>8. Business related to offering of life insurance, Non-life insurance</p>

	<p>agency business, and insurance agency business based on the Automobile Liability Security Law.</p> <p>9. Investment in specific purpose companies, special purpose companies (companies as provided for in the Regulation for Terminology, Forms and Preparation of Financial Statements) and real-estate investment trusts, and buying, selling, brokerage and management of interests in such investments.</p> <p>10. Labor dispatch business.</p> <p>11. Business incidental or relevant to each of the above items.</p>
Relationship with NAF or investment trust management company	<p>Subsidiary of Mitsui Fudosan Co., Ltd., which holds 100% of the outstanding shares of Mitsui Fudosan Accommodations Fund Management Co., Ltd., an investment trust management company, (hereinafter referred to as the "Asset Management Company") and constitutes a related party (sponsoring party) as provided for in the Asset Management Company's internal rules.</p>

Trade name	Yoei Co., Ltd.
Address of Head Office	14-16, Ginza 7-Chome, Chuo-ku, Kyoto
Representative	Kakuei Miyagi, Representative Director
Capital	¥300 million
Stockholders	Yoei Holding, Co., Ltd. Yoko Building ME Co., Ltd.
Description of Principal Operations	<p>1. Residential land development.</p> <p>2. Construction and sale of homes and apartments.</p> <p>3. Purchase, sales, and brokerage of land and buildings.</p> <p>4. Building leasing and management.</p> <p>5. Building leasing brokerage.</p> <p>6. Comprehensive planning, design, and supervision for effective real estate utilization.</p> <p>7. Appraisal of real estate.</p> <p>8. Sales of office products, office automation equipment, gift products, etc.</p> <p>9. Interior construction for buildings.</p> <p>10. Purchase, sale and brokerage of golf memberships.</p> <p>11. Parking lot management.</p> <p>12. Trust beneficiary rights sales business.</p> <p>13. Offering of credit cards.</p>
Relationship with NAF or investment trust management company	None

(4) Property 6 (Note 3)

Trade name	Nippon Oil Real Estate Co., Ltd.
Address of Head Office	1-8, Sakuragicho 1-chome, Naka-ku, Yokohama, Kanagawa Prefecture
Representative	Yoichiro Shiozawa, President and Representative Director
Capital	¥500 million
Stockholder	Nippon Oil Corporation
Description of Principal Operations	<p>1. Purchase, sales, lease, and appraisal of real estate.</p> <p>2. Management of real estate.</p> <p>3. Design, supervision, and contracting for general civil engineering and construction.</p> <p>4. Management of parking lots, repair and washing of vehicles.</p> <p>5. Management of sports related facilities.</p> <p>6. Management of vehicle training centers and education institutions for vehicle skills.</p> <p>7. Non-life insurance. Insurance agency business based on the</p>

	Automobile Liability Security Law 8. Sales of vehicle parts, various petroleum products, tobacco, stamps. 9. Toll collection and other operations on toll roads. 10. Business incidental or relevant to each of the above items.
Relationship with NAF or investment trust management company	None

(Note 1) Property 2 is real estate that was jointly owned by the sellers: Mitsui Fudosan Co., Ltd. and Kajima Corporation.

(Note 2) Property 4 is real estate that was jointly owned by the sellers Mitsui Fudosan Residential Co., Ltd. and Yoei Co., Ltd. Mitsui Fudosan Co., Ltd. had concluded a contract for purchase of the joint ownership share of Yoei Co., Ltd., and NAF received transfer of the purchase right for this joint ownership share from Mitsui Fudosan Co., Ltd.

(Note 3) Property 6 is real estate that was jointly owned by the sellers: Nippon Oil Real Estate Co.,Ltd.. and Mitsui Fudosan Co., Ltd..

5. Transactions with related parties

(1) Outline of transactions

1) Of the properties acquired, properties 1, 3, 5, and 7 were properties acquired from Mitsui Fudosan Co., Ltd.

2) Of the properties acquired, regarding property 2, this was real estate jointly owned by Mitsui Fudosan Co., Ltd. (60% of joint ownership) and Kajima Corporation (40%). NAF acquired all ownership from both companies. The acquisition price breakdown is 2,370 million yen for the joint ownership share of Mitsui Fudosan Co., Ltd., and 1,580 million yen for Kajima Corporation.

3) Of the properties acquired, regarding property 4, this was real estate jointly owned by Mitsui Fudosan Residential Co., Ltd. (60% of joint ownership) and Yoei Co., Ltd. (40%). NAF acquired all ownership from both companies. The acquisition price breakdown is 1,608 million yen for the joint ownership share of Mitsui Fudosan Residential Co., Ltd., and 1,030.2 million yen for Yoei Co., Ltd.

Furthermore, regarding the joint ownership share of Yoei Co., Ltd., Mitsui Fudosan Co., Ltd. concluded a land and building sales contract with Yoei Co., Ltd. on September 29, 2006. NAF received transfer of purchase rights in that sales contract (including later changes), through a contract on transfer of purchase rights etc. for the sales contract (concluded on September 14, 2007 between the three parties: NAF, Mitsui Fudosan Co., Ltd., and Yoei Co., Ltd.). The price for purchase rights transfer, etc. in this contract was 79 million yen for Mitsui Fudosan Co. Ltd.

4) Of the properties acquired, regarding property 6, this was real estate jointly owned by Mitsui Fudosan Co., Ltd. (half of joint ownership) and Nippon Oil Real Estate Co.,Ltd. (also half). NAF acquired all ownership from both companies. The acquisition price breakdown is 757.5

million yen for the joint ownership share of Mitsui Fudosan Co., Ltd., and 757.5 million yen for Nippon Oil Real Estate Co., Ltd.

- 5) Also, NAF is making Mitsui Fudosan Housing Lease Co., Ltd. the master lease company and property management company for all the acquired properties.

(Note) The acquisition prices and price of transfer of purchase rights etc. noted above in “(1) Outline of transactions” do not include miscellaneous expenses for acquisition, fixed property taxes, urban planning taxes, consumption taxes, nor local consumption taxes.

(2) Self-established rules on transactions with related parties, etc.

Mitsui Fudosan Co., Ltd., Mitsui Fudosan Residential Co., Ltd., and Mitsui Fudosan Housing Lease Co., Ltd. correspond to related parties etc. (Note). Therefore, in accordance with NAF’s self-established rules on asset management concerning transactions with related parties etc., conclusion of the agreements noted in (1) above (real estate sales contract with Mitsui Fudosan Co., Ltd., contract on transfer of purchase rights etc. for the land and building sales contract and the related memo, real estate sales contract with Mitsui Fudosan Residential Co., Ltd., and the master lease and property management contracts with Mitsui Fudosan Housing Lease Co., Ltd.) have passed through deliberation and approval by the Compliance Committee of the Asset Management Company, and deliberation and decision by the Investment Committee.

Note: Related parties etc. means related parties etc. of an investment trust outsourcing company which has concluded an asset management trust contract with NAF, as provided for in Article 20 of Implementation Order of the Act on Investment Trusts and Investment Corporations.

6. Status of the acquirer of the properties

(1) Properties 1, 2, 3, 5, 6, and 7

Property 1: Park Axis Akihabara (16-1, Kandasakuma-cho 3-chome, Chiyoda-ku, Tokyo) Property 2: Park Axis Toyochō (29-10 Shiohama 2-chome, Koto-ku, Tokyo) (60% of joint ownership) Property 3: Park Axis Takinogawa (48-11 Takinogawa 3-chome, Kita-ku, Tokyo) Property 5: Park Axis Marunouchi (19-3 Marunouchi 2-chome, Naka-ku, Nagoya City, Aichi Prefecture) Property 6: Park Axis Ropponmatsu (13-2 Ropponmatsu 2-chome, Chuo-ku, Fukuoka City, Fukuoka Prefecture) (Half of joint ownership) Property 7: Park Axis Hakataeki Minami (5-27 Hakataeki Minami 3-chome, Hakata-ku, Fukuoka Prefecture)	Status of the owner of the properties	Former owner	Owner before the former owner
	Company Name / Name	Mitsui Fudosan Co., Ltd.	None
	Relationship with a party which has a special relationship	Parent company of the asset management corporation	
	Background to and reasons for acquisition	Developed for the purpose of sale	
	Acquisition price (inclusive of miscellaneous expenses)	—	
	Acquisition period	—	

(2) Property 4

<p>Park Axis Asakusabashi (2-6 Yanagibashi 2-chome, Taito-ku, Tokyo) (60% of joint ownership)</p>	Status of the owner of the property	Former owner	Owner before the former owner
	Company Name / Name	Mitsui Fudosan Residential Co., Ltd.	None
	Relationship with a party which has a special relationship	100% subsidiary of Mitsui Fudosan Co., Ltd., which is the parent company of the asset management company	
	Background to and reasons for acquisition	Developed for the purpose of sale	
	Acquisition price (inclusive of miscellaneous expenses)	—	
	Acquisition period	—	

7. Earthquake resistance matters

NAF commissioned Mitsui Fudosan Co., Ltd., an expert on building structure calculations, to closely inspect and verify the details of earthquake-resistant structures including structure calculation statements (specifically, to verify the structure calculations, load calculations, stress calculations, computation on framework members and the second-order design, and then to validate the adequacy of the design). As a result, it has been confirmed by the above mentioned expert Mitsui Fudosan Co., Ltd. that there are no suspicions concerning the falsification of structure calculation and construction drawings by which aseismic capacity required in accordance the Building Standards Act is ensured for the buildings of the properties acquired. Based on the said confirmation, NAF has judged that the aseismic capacity required by the Building Standard Law has been ensured.

Furthermore, in addition to close inspections and verifications of the buildings of the property acquired by Mitsui Fudosan Co., Ltd., NAF requested third party investigative bodies to re-inspect the properties (Meiho Facility Works Ltd. for properties 1 and 2, and Sumitomo Mitsui Construction Co., Ltd. for properties 3, 4, 5, 6, and 7). No illegal manipulation such as intentional falsification or falsification was found in the structure calculation statements, and it has been confirmed that the structure calculations were appropriately carried out in compliance with the relevant laws.

As of September 3, 2007, the building owners, the main contractors, and the designers of the properties acquired are as follows. None of these parties has been publicly named by the Ministry of Land, Infrastructure and Transport as a party who took part in any property structure calculation statement falsifications.

In addition, NAF always examines earthquake risks during the course of due diligence upon acquisition of the property, from different perspectives to investigations for building certification performed by an inspection and certification agency. NAF makes a decision on acquisition after performing appropriate analysis of earthquake risks of the property to be acquired, considering

themselves the structural earthquake-resistance of the building to be acquired, based on drawing reviews using structure drawings, structural design outlines, etc.

Companies engaged in design of the properties acquired

Property number	Property name	Building owner	Contractor	Building design company	Structure design company	Building certifier
Property 1	Park Axis Akihabara	Mitsui Fudosan Co., Ltd.	Sumitomo Mitsui Construction Co., Ltd.	Sumitomo Mitsui Construction Co., Ltd.	Sumitomo Mitsui Construction Co., Ltd.	Houseplus Corporation, Inc.
Property 2	Park Axis Toyoko	Mitsui Fudosan Co., Ltd. Kajima Corporation	Kajima Corporation	Kajima Corporation	Kajima Corporation (Kajima Corp. contracted part of the design work to Artes Corporation)	Houseplus Corporation, Inc.
Property 3	Park Axis Takinogawa	Mitsui Fudosan Co., Ltd.	Shinnihon Corporation	Shinnihon Corporation	Shinnihon Corporation	Housing Finance Association
Property 4	Park Axis Asakusabashi	Mitsui Fudosan Residential Co., Ltd. Yoei Co., Ltd.	Shinnihon Corporation	Shinnihon Corporation	Sebtech Construction Research	Japan ERI Co., Ltd.
Property 5	Park Axis Marunouchi	Mitsui Fudosan Co., Ltd.	Yahagi Construction Co., Ltd.	Yahagi Construction Co., Ltd.	Yahagi Construction Co., Ltd.	Japan ERI Co., Ltd.
Property 6	Park Axis Ropponmatsu	Nippon Oil Real Estate Co., Ltd. Mitsui Fudosan Co., Ltd.	Nippo Corporation	Sanim Architecture Office	Nippo Corporation	Urban Housing Evaluation Center
Property 7	Park Axis Hakataeki Minami	Mitsui Fudosan Co., Ltd.	Kyushu Construction Co., Ltd.	Sanim Architecture Office	Espace Architecture Office	Urban Housing Evaluation Center

Profiles of third party investigative bodies (investigations of the state of the buildings, reinvestigation of earthquake risk assessments and structure calculation statements)

Company name	Sumitomo Mitsui Construction Co., Ltd.
Address of Head Office	5-25, Nishi Shinjuku 7-chome, Shinjuku-ku, Tokyo
Representative	Hisaya Igarashi, President and Representative Director
Capital	¥16,859,138,000
Description of Principal Operations	<ol style="list-style-type: none"> 1. Performing on contracts, design and supervision of civil engineering, building, prestressed concrete, electrical and piping works and other construction work. 2. Design and supervision of ocean developments, regional developments, urban developments, natural resource developments and environmental improvements. 3. Being entrusted with engineering and consulting services such as investigation, planning and drawing up plans pertaining to each of the above items. 4. Acquisition, management, use, disposition and lease of real estate. 5. Buying and selling, brokerage and appraisal of real estate. 6. Manufacturing, supply, sales and lease of civil engineering and building materials, prestressed concrete products, seismic isolators, vibration controlling devices, machinery and equipment.

	<p>7. Maintenance, repair, safety and security of civil engineering structures and buildings.</p> <p>8. Business related to landscaping and gardening.</p> <p>9. Development, acquisition, licensing and sales of industrial property rights, copyrights, and software.</p> <p>10. Information processing services and information provision services.</p> <p>11. Development, sales, lease, maintenance and management of electronic office equipment such as computers.</p> <p>12. Comprehensive leasing operations.</p> <p>13. Management, administration, operation and lease of nursing homes, training, medical and sports facilities, leisure facilities such as ski areas and amusement parks, accommodation facilities, and restaurants.</p> <p>14. Labor dispatch operations.</p> <p>15. Non-life insurance agency operations.</p> <p>16. Loan of money and other financial business.</p> <p>17. Business related to pollution prevention.</p> <p>18. Collection, transport, disposition and recycling of industrial waste.</p> <p>19. Investigation and assessment of soil and groundwater contamination, and design, implementation and supervision of restoration and purification.</p> <p>20. Operations incidental or relevant to each of the above items.</p>
Relationship with NAF or investment trust management company	None

Company name	Shimizu Corporation
Address of Head Office	2-3, Shibaura 1-chome, Minato-ku, Tokyo
Representative	Tetsuya Nomura, President and Representative Director
Capital	¥74,365,317,000
Description of Principal Operations	<p>1. Executing construction work such as building, civil engineering works and equipment installation on contract.</p> <p>2. Investigation, planning, research, appraisal, assessment, geological surveys, surveying, design, supervision, management and consulting work related to construction work.</p> <p>3. Investigation, planning, design, supervision, management and consulting business related to regional development, urban development, ocean development, space development, natural resource and energy development and environmental improvement.</p> <p>4. Buying and selling, lease, brokerage, management and appraisal of real estate, and related consulting work.</p> <p>5. Construction, sales, lease and management of buildings such as housing, and preparation and sale of land.</p> <p>6. Beneficiary right selling operations pursuant to the Trust Business Law, and business pursuant to the Real Estate Specified Joint Enterprise Law.</p> <p>7. Planning, construction, ownership, maintenance, management and operation of government office buildings, educational and cultural facilities, medical care and social welfare facilities, roads, harbors, airports, parks, water supply and sewerage systems, other public facilities, and related facilities.</p> <p>8. Power generation and supply of energy such as electricity and heat, greenhouse gas emissions trading and consulting work</p>

	<p>relevant to the such operations.</p> <p>9. Soil survey and purification work on contract, waste collection, treatment, disposal and reuse operations and consulting work related to the such operations.</p> <p>10. Design, construction, sales, lease and management of information and communications systems and building management systems, and related consulting work.</p> <p>11. Maintenance, security and cleaning of buildings, facilities and equipment.</p> <p>12. Design, manufacturing, sales, lease and brokerage of machinery and equipment, concrete products for construction, wood construction products, furniture and interior decorations, and sales, lease and brokerage of construction materials.</p> <p>13. Acquisition, licensing and sale of industrial property rights, copyrights, know-how, and computer software.</p> <p>14. Management of sports facilities, hotels, restaurants, rest homes, etc. and related consulting business.</p> <p>15. Sale of pharmaceuticals, medical care materials and medical equipment and instruments, management and consulting work for senior care homes, and home nursing care service business.</p> <p>16. Planning, production and sale of information media such as advertisements, publishing, printing and images, and planning, management, operation and consulting work of events.</p> <p>17. Land transportation operations, and management of warehouses and delivery centers.</p> <p>18. Non-life insurance agency operations, life insurance offering operations, tourism operations and labor dispatch services.</p> <p>19. Financial operations such as loaning money, offering guarantee of debt, and purchase of claims.</p> <p>20. Operations outside Japan related to each of the above items.</p> <p>21. All operations incidental and related to each of the above items.</p>
Relationship with NAF or investment trust management company	None

Company name	Takenaka Corporation
Address of Head Office	1-13, Honmachi 4-chome, Chuo-ku, Osaka
Representative	Toichi Takenaka, President and Representative Director
Capital	¥50 billion
Description of Principal Operations	<p>1. Contracting, design, and supervision for construction and civil engineering works.</p> <p>2. Engineering and management, such as investigation, research, surveying, planning, valuation, assessment, etc. for construction works, regional development, urban development, ocean development, space development, energy supply, environmental improvement, etc.</p> <p>3. Land civil works and construction of homes.</p> <p>4. Sale, lease, brokerage, maintenance, management and appraisal of real estate, along with management of real estate investments</p> <p>5. Horticulture business such as landscaping, gardening, and forestation, and related maintenance and management.</p> <p>6. Manufacturing of construction machinery and tools, steel construction materials, concrete construction products, building air conditioning equipment, wood construction products and furniture. Import, export, sale, lease, repair, maintenance and management of construction machinery and tools, construction materials, cooling equipment for building air conditioning and furniture. Related</p>

	<p>research and development, and inspection contracting.</p> <p>7. Security and janitorial services.</p> <p>8. Collection, transport, disposal, and recycling of waste, environmental pollution surveys, removal of environmental pollutant matter, supply and sale of energy such as electricity and heat.</p> <p>9. Planning, construction, maintenance, and operation of public facilities such as government office buildings, education facilities, medical care and welfare facilities, waste disposal facilities, roads, railways, harbors, airports, parks, water supply and sewage systems, and related facilities.</p> <p>10. Management of accommodation facilities, rest homes, sports facilities, leisure facilities, cultural facilities, rental meeting halls, restaurants and parking lots.</p> <p>11. Acquisition, development, licensing, and sales of industrial property rights, copyrights, know-how, computer software, etc.</p> <p>12. Planning, production and sale of advertisements, publishing, printing and images, and information media related to advertising, publicity, and communications, and collection, processing and provision of a variety of information.</p> <p>13. Telecommunications and broadcasting business based on the Telecommunications Business Law.</p> <p>14. Sale, lease, maintenance and management of computers, communications equipment, office equipment, and peripheral equipment.</p> <p>15. Sales, mail order, and brokerage of vehicles, artwork, photo equipment, and daily sundries.</p> <p>16. Non-life insurance agency business, insurance agency business based on the Automobile Liability Security Law, operations related to offering of life insurance, travel business and travel agency business based on the Travel Agency Law, and manpower dispatching business based on the Manpower Dispatching Business Law.</p> <p>17. Comprehensive leasing business</p> <p>18. Sale of medical care equipment and tools.</p> <p>19. Consulting work related to each of the above items.</p> <p>20. Work incidental to each of the above items.</p>
Relationship with NAF or investment trust management company	None

Company name	Meiho Facility Works Ltd.
Address of Head Office	4, Kojimachi 5-chome, Chiyoda-ku, Tokyo
Representative	Kazutoshi Omi, President and Representative Director
Capital	¥531,510,000
Description of Principal Operations	<p>1. Project management (making proposals for a master plan for construction projects, and providing comprehensive management services as the agent of the ordering party from the design phase to construction completion).</p> <p>2. Construction management (providing support for contractor selection and management of the state of execution of the construction works, as the agent of the ordering party in construction projects).</p> <p>3. Facility management (examination of, analysis of and making proposals for a facility master plan according to the ordering party's business challenges and demands), and consulting work related to such facility management.</p> <p>4. Complete set of building works, electrical works, piping, interior finishing work, and construction of fire fighting facilities.</p>

	<p>5. Design work relevant to the construction project (such as architectural design, electrical system design, machinery and equipment design, information equipment design, laying out of offices, etc.).</p> <p>6. Consulting operations related to design projects.</p> <p>7. Sales and lease of office equipment, information and telecommunication equipment, furniture and fixtures and interior decorations.</p> <p>8. Development, sales, lease and rental of computer hardware and software.</p> <p>9. Manufacturing, sales, import, export and installation of telecommunication equipment.</p> <p>10. Specified labor dispatch operations.</p> <p>11. All operations incidental and related to each of the above items.</p>
Relationship with NAF or investment trust management company	None

8. Outlines of brokerage

There were no brokers in transactions for the acquisition of these properties.

9. Outlook for the state of asset management after acquisition of these properties

An earnings forecast after acquisition of these properties will be included in the earnings forecast for the period ending February 2008, which will be released at the time of the announcement (scheduled for October 15, 2007) of the account settlement for the period ending August 2007.

This English language notice is a translation of the Japanese language notice dated September 14, 2007 and was prepared solely for the convenience of, and reference by, overseas investors. NAF makes no warranties as to its accuracy or completeness.

[Attached documents]

- Portfolio after acquisition of the properties acquired (on an acquisition price basis)
- Summary of the appraisal reports on the prices of the properties acquired
- The external appearance and photographs of entrances to the properties acquired
- Maps to locate the properties acquired

Portfolio after acquisition of the properties acquired (on an acquisition price basis)

No.	Name	Location	Acquisition Price (Note 1)	Portfolio Share (Note 2)
1	Okawabata River Point Tower Apartment Park Side Wings Communities Pier West House	Chuo-ku, Tokyo	29,696	24.1
2	Park Axis Gakugei Daigaku	Setagaya-ku, Tokyo	1,760	1.4
3	Park Axis Ichigaya	Shinjuku-ku, Tokyo	2,570	2.1
4	Park Axis Shibuya Jinnan	Shibuya-ku, Tokyo	3,230	2.6
5	Park Axis Aoyama Kotto-dori	Minato-ku, Tokyo	1,730	1.4
6	Park Axis Kagurazaka Stage	Shinjuku-ku, Tokyo	1,400	1.1
7	Park Axis Shiroganedai	Minato-ku, Tokyo	5,140	4.2
8	Park Axis Bunkyo Stage	Bunkyo-ku, Tokyo	4,440	3.6
9	Park Axis Tsukishima	Chuo-ku, Tokyo	930	0.8
10	Park Axis Otsuka	Toshima-ku, Tokyo	1,655	1.3
11	Park Axis Minami Azabu	Minato-ku, Tokyo	3,939	3.2
12	Park Axis Shibuya	Shibuya-ku, Tokyo	1,282	1.0
13	Park Axis Nihonbashi Stage	Chuo-ku, Tokyo	7,557	6.1
14	Park Axis Hamamatsucho	Minato-ku, Tokyo	2,025	1.6
15	Park Axis Hongo No Mori	Bunkyo-ku, Tokyo	2,910	2.4
16	Park Axis Tameike Sanno	Minato-ku, Tokyo	2,860	2.3
17	Park Axis Roppongi Hinokicho Park	Minato-ku, Tokyo	2,170	1.8
18	Park Axis Ochanomizu Stage	Bunkyo-ku, Tokyo	9,710	7.9
19	Park Axis Okachimachi	Taito-ku, Tokyo	1,070	0.9
20	Park Cube Hongo	Bunkyo-ku, Tokyo	1,760	1.4
21	Park Cube Kanda	Chiyoda-ku, Tokyo	2,454	2.0
22	Park Cube Ichigaya	Shinjuku-ku, Tokyo	1,794	1.5
23	Park Cube Asakusa Tawaramachi	Taito-ku, Tokyo	2,508	2.0
24	Park Cube Ueno	Taito-ku, Tokyo	2,233	1.8
28	Park Cube Ikebukuro Kanamecho	Toshima-ku, Tokyo	1,608	1.3
29	Park Axis Meguro Honcho	Meguro-ku, Tokyo	1,810	1.5
30	Park Axis Shin Itabashi	Itabashi-ku, Tokyo	3,430	2.8
31	Park Axis Akihabara	Chiyoda-ku, Tokyo	1,200	1.0
32	Park Axis Toyochō	Koto-ku, Tokyo	3,950	3.2
33	Park Axis Takinogawa	Kita-ku, Tokyo	1,820	1.5
34	Park Axis Asakusabashi	Taito-ku, Tokyo	2,717	2.2
Tokyo 23 wards Total			113,359	92.0
25	Park Cube Keio Hachioji	Hachioji-shi, Tokyo	991	0.8
26	Park Cube Keio Hachioji 2	Hachioji-shi, Tokyo	1,130	0.9
Greater Tokyo Total (Note 3)			2,121	1.7
27	Park Axis Meieki Minami	Nakamura-ku, Nagoya-shi, Aichi	2,440	2.0
35	Park Axis Marunouchi	Naka-ku, Nagoya-shi, Aichi	1,920	1.6
36	Park Axis Ropponmatsu	Chuo-ku, Fukuoka-shi, Fukuoka	1,515	1.2
37	Park Axis Hakataeki Minami	Hakata-ku, Fukuoka-shi, Fukuoka	1,890	1.5
Other Major Cities Total (Note 4)			7,765	6.3
Total			123,245	100.0

(Note 1) "Acquisition Price" refers to the sale price (exclusive of miscellaneous expenses for acquisition, fixed property taxes, urban planning taxes, consumption taxes and local consumption taxes) of the property acquired or the property to be acquired. Amounts less than one million yen have been rounded off.

(Note 2) "Portfolio Share" means the percentage of the acquisition price for the property acquired or the property to be acquired compared to the total amount, rounded to the nearest one decimal place.

(Note 3) "Greater Tokyo" refers to four prefectures, Tokyo (excluding Tokyo's 23 wards), Kanagawa, Saitama and Chiba.

(Note 4) "Other Major Cities" refers to the regional hub government-ordinance-designated cities.

Summary of the appraisal reports on the prices of the properties acquired

(1) Park Axis Akihabara

(Thousands of yen)

Appraised value (specified value)		1,200,000	
Assessment item		Details	Basis for assessment
Operating revenues	(a) Unit rental revenues, including commons area fees	68,482	Assessed stable rents etc. which can be received over the mid and long term, based on levels of rents and commons area fees of the assessed real estate, and when assuming they are newly rented.
	(b) Utilities revenues	0	There are no utilities charges collected from renters.
	(c) Parking lot revenues	108	Assessed stable usage fees which can be received over the mid and long term, based on levels of usage fees etc. when assuming that they are newly rented.
	(d) Other revenues	3,366	Assessed other revenues, based on mid and long term stable rent revenues which can be received from each tenant when new contracts are signed, and considering the estimated number of months of key money and annual tenant turnover ratio and vacancy rate.
	Revenues from key money, etc.	2,794	
	Renewal fees	572	
	Other revenues	0	
	(1): (a)+(b)+(c)+(d)	71,956	
	(e) Total loss from vacancies etc.	3,424	Assessed mid and long term operating levels, considering characteristics of the assessed property and vacancies of comparable real estate nearby.
	(f) Loss on bad debts	0	Not totaled, due to consideration of collateral such as security deposits.
(2) Operating revenues [(1)-(e)-(f)]		68,532	
Operating expenses	(g) Maintenance expense	2,112	Assessed by referring to the current contract value, considering comparable rental apartment building maintenance expenses, particular characteristics of the assessed real estate, etc.
	(h) Utilities expense	880	Assessed by referring to current expenses, considering comparable rental apartment building utilities expenses, particular characteristics of the assessed real estate, etc.
	(i) Repair expense	1,180	Assessed considering expenses to return units to original condition accompanying tenant turnover, repair expenses noted in the engineering report, etc.
	(j) Property management fees	2,281	Assessed considering property management fees of comparable buildings.

	(k) Tenant soliciting fee, etc.	1,816	Assessed at 1.3 months of the unit rental revenue from above as fees, considering annual tenant turnover ratio, operating rate, current contract terms and lease terms of comparable real estate nearby, etc. The fees include fees to find and contract with new tenants and administrative fees for renewals of tenants.
	(l) Taxes and public dues	2,638	Assessed based on the 2007 business year tax register. For a mid to long term perspective, adopts the estimated tax amount of 11th year after construction of the building, considering adjustments over future years based on this tax register data.
	(m) Property insurance fee	152	Totaled based on the values shown in contracts.
	(n) Other expenses	144	Totaled based on the values shown in contracts.
	(3) Operating expenses [(g)+(h)+(i)+(j)+(k)+(l)+(m)+(n)]	11,202	
(4) Net operating income [(2) – (3)]		57,330	
	(o) Earnings from temporary deposit	203	Assumed security deposits held multiplied by an assumed 2.0% investment yield. This yield is from a mid to long term perspective, based on data independently obtained by the real estate appraiser.
	(p) Capital expenditures	1,044	Assessed considering the number of years since construction, average annual renewal costs in the engineering report, etc.
(5) Net income [(4)+(o)-(p)]		56,489	
(6) Cap rate		4.6%	Decided on a cap rate for apartment buildings located in the lowest risk districts, after comprehensively considering yields of transactions in comparable apartment buildings in the market, results of a real estate investor survey, etc. Then assessed a yield difference in comparison with districts which meet the above criteria, based on cap rates for the appraisal values of the assessed real estate and for comparable real estate, considering rental supply and demand trends and property sales trends in these districts, etc.
Value of earnings calculated by the direct capitalization method [(5)÷(6)]		1,230,000	
Value calculated by discounted cash flow method		1,190,000	

	Discount rate	4.4%	Assessed by a method comparing with sample transactions in comparable real estate, together with a method which considers the specific characteristics of real estate to adjust yields of financial assets, and also considering interviews with investors, etc.
	Terminal cap rate	4.8%	Adjusts the cap rate assessed above by comprehensively considering the characteristics of the net income adopted, future uncertainties, liquidity, market characteristics, etc.
Cost method value		706,000	
	Total value of land and building	706,108	
	Land value	345,055	
	Building value	361,053	
	Adjustment	0	The total value of the land and building is judged to be unchanged.

(2) Park Axis Toyochō

(Thousands of yen)

Appraised value (specified value)	3,950,000	
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Assessment item		Details	Basis for assessment
Operating revenues	(a) Unit rental revenues, including commons area fees	228,875	Assessed stable rents etc. which can be received over the mid and long term, based on levels of rents and commons area fees of the assessed real estate, and when assuming they are newly rented.
	(b) Utilities revenues	0	There are no utilities charges collected from renters.
	(c) Parking lot revenues	15,163	Assessed stable usage fees which can be received over the mid and long term, based on levels of usage fees etc. when assuming that they are newly rented.
	(d) Other revenues	11,976	Assessed other revenues based on mid and long term stable rent revenues which can be received from each tenant when new contracts are signed, and considering the estimated number of months of key money and annual tenant turnover ratio and vacancy rate.
		Revenues from key money, etc.	
		Renewal fees	
		Other revenues	
	(1): (a)+(b)+(c)+(d)	256,014	
	(e) Total loss from vacancies etc.	12,653	Assessed mid and long term operating levels, considering characteristics of the assessed property and vacancies of comparable real estate nearby.
	(f) Loss on bad debts	0	Not totaled, due to consideration of collateral such as security deposits.
(2) Operating revenues [(1)-(e)-(f)]		243,360	
Operating expenses	(g) Maintenance expense	7,858	Assessed by referring to the current contract value, considering comparable rental apartment building maintenance expenses, particular characteristics of the assessed real estate, etc.

	(h) Utilities expense	2,800	Assessed by referring to current expenses, considering comparable rental apartment building utilities expenses, particular characteristics of the assessed real estate, etc.
	(i) Repair expense	3,603	Assessed considering expenses to return units to original condition accompanying tenant turnover, repair expenses noted in the engineering report, etc.
	(j) Property management fees	6,942	Assessed considering property management fees of comparable buildings.
	(k) Tenant soliciting fee, etc.	7,124	Assessed at 1.3 months of the unit rental revenue from above as fees, considering annual tenant turnover ratio, operating rate, current contract terms and lease terms of comparable real estate nearby, etc. The fees include fees to find and contract with new tenants and administrative fees for renewals of tenants.
	(l) Taxes and public dues	11,554	Assessed based on the 2007 business year tax register. For a mid to long term perspective, adopts the estimated tax amount of 11th year after construction of the building, considering adjustments over future years based on this tax register data.
	(m) Property insurance fee	619	Totaled based on the values shown in contracts.
	(n) Other expenses	504	Totaled based on the values shown in contracts.
	(3) Operating expenses [(g)+(h)+(i)+(j)+(k)+(l)+(m)+(n)]	41,003	
	(4) Net operating income [(2) – (3)]	202,358	
	(o) Earnings from temporary deposit	684	Assumed security deposits held multiplied by an assumed 2.0% investment yield. This yield is from a mid to long term perspective, based on data independently obtained by the real estate appraiser.
	(p) Capital expenditures	7,483	Assessed considering the number of years since construction, average annual renewal costs in the engineering report, etc.
	(5) Net income [(4)+(o)-(p)]	195,559	

(6) Cap rate		4.9%	Decided on a cap rate for apartment buildings located in the lowest risk districts, after comprehensively considering yields of transactions in comparable apartment buildings in the market, results of a real estate investor survey, etc. Then assessed a yield difference in comparison with districts which meet the above criteria, based on cap rates for the appraisal values of the assessed real estate and for comparable real estate, considering rental supply and demand trends and property sales trends in these districts, etc.
Value of earnings calculated by the direct capitalization method [(5)÷(6)]		3,990,000	
Value calculated by discounted cash flow method		3,930,000	
	Discount rate	4.7%	Assessed by a method comparing with sample transactions in comparable real estate, together with a method which considers the specific characteristics of real estate to adjust yields of financial assets, and also considering interviews with investors, etc.
	Terminal cap rate	5.1%	Adjusts the cap rate assessed above by comprehensively considering the characteristics of the net income adopted, future uncertainties, liquidity, market characteristics, etc.
Cost method value		2,830,000	
	Total value of land and building		2,827,441
	Land value		1,380,600
	Building value		1,446,841
	Adjustment		0
			The total value of the land and building is judged to be unchanged.

(3) Park Axis Takinogawa

(Thousands of yen)

Appraised value (specified value)	1,830,000	
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Assessment item		Details	Basis for assessment
Operating revenues	(a) Unit rental revenues, including commons area fees	109,328	Assessed stable rents etc. which can be received over the mid and long term, based on levels of rents and commons area fees of the assessed real estate, and when assuming they are newly rented.
	(b) Utilities revenues	0	There are no utilities charges collected from renters.
	(c) Parking lot revenues	4,068	Assessed stable usage fees which can be received over the mid and long term, based on levels of usage fees etc. when assuming that they are newly rented.
	(d) Other revenues	6,228	Assessed other revenues, based on mid

		Revenues from key money, etc.	3,124	and long term stable rent revenues which can be received from each tenant when new contracts are signed, and considering the estimated number of months of key money and annual tenant turnover ratio .
		Renewal fees	2,208	
		Other revenues	896	
	(1): (a)+(b)+(c)+(d)		119,624	
	(e) Total loss from vacancies etc.		6,950	Assessed mid and long term operating levels, considering characteristics of the assessed property and vacancies of comparable real estate nearby.
	(f) Loss on bad debts		0	Not totaled, due to consideration of collateral such as security deposits.
(2) Operating revenues [(1)-(e)-(f)]			112,674	
Operating expenses	(g) Maintenance expense		2,883	Assessed by referring to the current expenses, considering comparable rental apartment building maintenance expenses, particular characteristics of the assessed real estate, etc.
	(h) Utilities expense		1,200	Assessed by referring to current expenses, considering comparable rental apartment building utilities expenses, particular characteristics of the assessed real estate, etc.
	(i) Repair expense		1,664	Assessed considering expenses to return units to original condition accompanying tenant turnover, and mid and long term repair and renewal expenses noted in the engineering report.
	(j) Property management fees		4,813	Assessed considering property management fees of comparable buildings.
	(k) Tenant soliciting fee, etc.		2,665	Assessed at 1.8 months of the unit rental revenue from above as fees, considering annual tenant turnover ratio, operating rate, current contract terms and lease terms of comparable real estate nearby, etc. The fees include fees to find and contract with new tenants and administrative fees for renewals of tenants.
	(l) Taxes and public dues		5,760	For the land, this was assessed based on the 2007 business year tax register, considering the special measures for small residential lots. For the building, this was assessed based on replacement cost, considering adjustments for the passage of time, etc.
	(m) Property insurance fee		293	Assessed by considering insurance rates for comparable buildings, etc.
	(n) Other expenses		122	Totaled based on the values shown in contracts.
	(3) Operating expenses [(g)+(h)+(i)+(j)+(k)+(l)+(m)+(n)]		19,400	
(4) Net operating income [(2) – (3)]			93,274	

	(o) Earnings from temporary deposit	365	Assumed security deposits held multiplied by an assumed 2.0% investment yield. This yield is from a mid to long term perspective, based on data independently obtained by the real estate appraiser.
	(p) Capital expenditures	1,268	Assessed considering the number of years since construction, mid and long term repair and renewal costs in the engineering report, etc.
(5) Net income [(4)+(o)-(p)]		92,371	
(6) Cap rate		5.0%	Decided on a cap rate for apartment buildings located in the lowest risk districts, after comprehensively considering yields of transactions in comparable apartment buildings in the market, results of a real estate investor survey, etc. Then assessed a yield difference in comparison with districts which meet the above criteria, based on cap rates for the appraisal values of the assessed real estate and for comparable real estate, considering rental supply and demand trends and property sales trends in these districts, etc.
Value of earnings calculated by the direct capitalization method [(5)÷(6)]		1,850,000	
Value calculated by discounted cash flow method		1,810,000	
	Discount rate	4.7%	Assessed by a method comparing with sample transactions in comparable real estate, together with a method which considers the specific characteristics of real estate to adjust yields of financial assets, and also considering interviews with investors, etc.
	Terminal cap rate	5.3%	Adjusts the cap rate assessed above by comprehensively considering the characteristics of the net income adopted, future uncertainties, liquidity, market characteristics, etc.
Cost method value		1,410,000	
	Total value of land and building		1,410,000
	Land value		741,000
	Building value		668,000
	Adjustment		0
			The total value of the land and building is judged to be unchanged.

(4) Park Axis Asakusabashi

(Thousands of yen)

Appraised value (specified value)	2,720,000	
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Assessment item	Details	Basis for assessment
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Operating revenues	(a) Unit rental revenues, including commons area fees	173,064	Assessed stable rents etc. which can be received over the mid and long term, based on the levels of rents and commons area fees when one assumes average rents (based on tenant acquisition conditions) and when one assumes that the appraised real estate is newly rented.
	(b) Utilities revenues	0	There are no utilities charges collected from sub-lessees.
	(c) Parking lot revenues	5,040	Assessed stable rents etc. which can be received over the mid and long term, based on the level of usage fees when one assumes average rents (based on tenant acquisition conditions) and when one assumes that the appraised real estate is newly rented.
	(d) Other revenues	6,065	Assessed other revenues, based on mid and long term stable rent revenues which can be received from each tenant when new contracts are signed, and considering the estimated number of months of key money and annual tenant turnover ratio. Motorcycle parking place usage fees are recorded as other revenues.
	Revenues from key money, etc.	3,592	
	Renewal fees	2,437	
	Other revenues	36	
	(1): (a)+(b)+(c)+(d)	184,169	
	(e) Total loss from vacancies etc.	6,937	Assessed mid and long term operating levels, considering characteristics of the assessed property, and vacancies of comparable real estate which is in a relationship such as substitution or a competitive relationship in a similar district of the same supply/demand zone.
	(f) Loss on bad debts	0	Not totaled, due to consideration of collateral such as security deposits.
(2) Operating revenues [(1)-(e)-(f)]		177,232	
Operating expenses	(g) Maintenance expense	7,347	Assessed by referring to the current expenses, considering comparable rental apartment building maintenance expenses, particular characteristics of the assessed real estate, etc.
	(h) Utilities expense	1,967	Assessed by considering comparable rental apartment building utilities expenses, particular characteristics of the assessed real estate, etc.
	(i) Repair expense	3,725	Assessed considering expenses to return units to original condition accompanying tenant turnover, repair expenses noted in the engineering report, etc.
	(j) Property management fees	6,069	Assessed considering property management fees of comparable buildings.

	(k) Tenant soliciting fee, etc.	1,912	Assessed at 1.5 months of the unit rental revenue from above as fees, considering annual tenant turnover ratio, operating rate, current contract terms and lease terms of comparable real estate nearby, etc. The fees include fees to find and contract with new tenants and administrative fees for renewals of tenants.
	(l) Taxes and public dues	10,870	For the land, the assessed value was calculated considering the special measures. For the building, this was assessed based on replacement cost of the building.
	(m) Property insurance fee	548	Assessed by considering insurance fees based on actual amounts, insurance rates for comparable buildings, etc.
	(n) Other expenses	0	Totaled based on the values shown in contracts.
	(3) Operating expenses [(g)+(h)+(i)+(j)+(k)+(l)+(m)+(n)]	32,438	
	(4) Net operating income [(2) – (3)]	144,794	
	(o) Earnings from temporary deposit	708	Assumed security deposits held multiplied by an assumed 2.0% investment yield. This yield is from a mid to long term perspective, based on data independently obtained by the real estate appraiser.
	(p) Capital expenditures	2,403	Assessed considering the number of years since construction, average annual renewal costs in the engineering report, etc.
	(5) Net income [(4)+(o)-(p)]	143,100	
	(6) Cap rate	5.0%	Decided on a cap rate for apartment buildings located in the lowest risk districts, after comprehensively considering yields of transactions in comparable apartment buildings in the market, results of a real estate investor survey, etc. Then assessed using this cap rate as a standard, and increasing and decreasing the yield spread based on location conditions, number of years since construction, size, level of facilities, etc., along with considering future uncertainties, etc.
	Value of earnings calculated by the direct capitalization method [(5)÷(6)]	2,860,000	
	Value calculated by discounted cash flow method	2,720,000	

	Discount rate	4.7%	Assessed by a method comparing with sample transactions in comparable real estate, together with a method which considers the specific characteristics of real estate to adjust yields of financial assets, and also considering interviews with investors, etc.
	Terminal cap rate	5.5%	Adjusts the cap rate assessed above by comprehensively considering the characteristics of the net income adopted, risk as an investment object, future uncertainties, liquidity, market characteristics, etc.
Cost method value		2,070,000	
	Total value of land and building	2,070,000	
	Land value	1,111,000	
	Building value	961,000	
	Adjustment	0	The total value of the land and building is judged to be unchanged.

(5) Park Axis Marunouchi

(Thousands of yen)

Appraised value (specified value)	1,930,000	
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Assessment item		Details	Basis for assessment
Operating revenues	(a) Unit rental revenues, including commons area fees	122,748	Assessed stable rents etc. which can be received over the mid and long term, based on levels of rents and commons area fees of the assessed real estate, and when assuming they are newly rented.
	(b) Utilities revenues	0	There are no utilities charges collected from renters.
	(c) Parking lot revenues	9,771	Assessed stable usage fees which can be received over the mid and long term, based on levels of usage fees etc. when assuming that they are newly rented.
	(d) Other revenues	2,180	Assessed other revenues, based on mid and long term stable rent revenues which can be received from each tenant when new contracts are signed, and considering the estimated number of months of key money and annual tenant turnover ratio and vacancy rate.
	Revenues from key money, etc.	2,177	
	Renewal fees	0	
	Other revenues	4	
	(1): (a)+(b)+(c)+(d)	134,700	
	(e) Total loss from vacancies etc.	6,993	Assessed mid and long term operating levels, considering characteristics of the assessed property and vacancies of comparable real estate nearby.
	(f) Loss on bad debts	0	Not totaled, due to consideration of collateral such as security deposits.
(2) Operating revenues [(1)-(e)-(f)]		127,707	

Operating expenses	(g) Maintenance expense	5,029	Assessed by referring to the current contract value, considering comparable rental apartment building maintenance expenses, particular characteristics of the assessed real estate, etc.
	(h) Utilities expense	1,977	Assessed by referring to recent actual amounts, considering comparable rental apartment building utilities expenses, particular characteristics of the assessed real estate, etc.
	(i) Repair expense	3,433	Assessed considering expenses to return units to original condition accompanying tenant turnover, repair expenses noted in the engineering report, etc.
	(j) Property management fees	4,394	Assessed considering property management fees of comparable buildings.
	(k) Tenant soliciting fee, etc.	2,971	Assessed at 1.2 months of the unit rental revenue from above as fees, considering annual tenant turnover ratio, operating rate, current contract terms and lease terms of comparable real estate nearby, etc. The fees include fees to find and contract with new tenants and administrative fees for renewals of tenants.
	(l) Taxes and public dues	6,857	Assessed based on the 2007 business year tax statements. For a mid to long term perspective, adopts the estimated tax amount of 11th year after construction of the building, considering adjustments over future years based on this tax statements data.
	(m) Property insurance fee	382	Assessed by considering insurance rates for comparable buildings, etc.
	(n) Other expenses	642	Totalled based on the values shown in contracts.
	(3) Operating expenses [(g)+(h)+(i)+(j)+(k)+(l)+(m)+(n)]	25,685	
(4) Net operating income [(2) – (3)]		102,021	
	(o) Earnings from temporary deposit	405	Assumed security deposits held multiplied by an assumed 2.0% investment yield. This yield is from a mid to long term perspective, based on data independently obtained by the real estate appraiser.
	(p) Capital expenditures	2,676	Assessed considering the number of years since construction, average annual renewal costs in the engineering report, etc.
(5) Net income [(4)+(o)-(p)]		99,750	

(6) Cap rate		5.1%	Decided on a cap rate for apartment buildings located in the lowest risk districts, after comprehensively considering yields of transactions in comparable apartment buildings in the market, results of a real estate investor survey, etc. Then assessed a yield difference in comparison with districts which meet the above criteria, based on cap rates for the appraisal values of the assessed real estate and for comparable real estate, considering rental supply and demand trends and property sales trends in these districts, etc.
Value of earnings calculated by the direct capitalization method [(5)÷(6)]		1,960,000	
Value calculated by discounted cash flow method		1,920,000	
	Discount rate	4.9%	Assessed by a method comparing with sample transactions in comparable real estate, together with a method which considers the specific characteristics of real estate to adjust yields of financial assets, and also considering interviews with investors, etc.
	Terminal cap rate	5.3%	Adjusts the cap rate assessed above by comprehensively considering the characteristics of the net income adopted, future uncertainties, liquidity, market characteristics, etc.
Cost method value		1,450,000	
	Total value of land and building		1,450,938
	Land value		527,724
	Building value		923,214
	Adjustment		0
			The total value of the land and building is judged to be unchanged.

(6) Park Axis Ropponmatsu

(Thousands of yen)

Appraised value (specified value)	1,520,000	
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Assessment item		Details	Basis for assessment
Operating revenues	(a) Unit rental revenues, including commons area fees	101,972	Assessed stable rents etc. which can be received over the mid and long term, based on levels of rents and commons area fees of the assessed real estate, and when assuming they are newly rented.
	(b) Utilities revenues	0	There are no utilities charges collected from renters.
	(c) Parking lot revenues	7,104	Assessed stable usage fees which can be received over the mid and long term, based on levels of usage fees etc. when assuming that they are newly rented.
	(d) Other revenues	4,300	Assessed other revenues, based on mid

		Revenues from key money, etc.	3,949	and long term stable rent revenues which can be received from each tenant when new contracts are signed, and considering the estimated number of months of key money and annual tenant turnover ratio .
		Renewal fees	123	
		Other revenues	228	
	(1): (a)+(b)+(c)+(d)		113,376	
	(e) Total loss from vacancies etc.		6,973	Assessed mid and long term operating levels, considering characteristics of the assessed property and vacancies of comparable real estate nearby.
	(f) Loss on bad debts		0	Not totaled, due to consideration of collateral such as security deposits.
(2) Operating revenues [(1)-(e)-(f)]			106,403	
Operating expenses	(g) Maintenance expense		4,094	Assessed by referring to the current expenses, considering comparable rental apartment building maintenance expenses, particular characteristics of the assessed real estate, etc.
	(h) Utilities expense		1,512	Assessed by referring to current expenses, considering comparable rental apartment building utilities expenses, particular characteristics of the assessed real estate, etc.
	(i) Repair expense		2,372	Assessed considering expenses to return units to original condition accompanying tenant turnover, and mid and long term repair and renewal expenses noted in the engineering report.
	(j) Property management fees		3,676	Assessed considering property management fees of comparable buildings.
	(k) Tenant soliciting fee, etc.		2,905	Assessed at 1.5 months of the unit rental revenue from above as fees, considering annual tenant turnover ratio, operating rate, current contract terms and lease terms of comparable real estate nearby, etc. The fees include fees to find and contract with new tenants and administrative fees for renewals of tenants.
	(l) Taxes and public dues		6,312	For the land, this was assessed based on the 2007 business year tax register, considering the special measures for small residential lots. For the building, this was assessed based on replacement cost, considering adjustments for the passage of time, etc.
	(m) Property insurance fee		409	Assessed by considering insurance rates for comparable buildings, etc.
	(n) Other expenses		2,051	Totaled based on the values shown in estimation.
	(3) Operating expenses [(g)+(h)+(i)+(j)+(k)+(l)+(m)+(n)]		23,331	
(4) Net operating income [(2) – (3)]			83,072	

	(o) Earnings from temporary deposit	427	Assumed security deposits held multiplied by an assumed 2.0% investment yield. This yield is from a mid to long term perspective, based on data independently obtained by the real estate appraiser.
	(p) Capital expenditures	1,603	Assessed considering the number of years since construction, mid and long term repair and renewal costs in the engineering report, etc.
(5) Net income [(4)+(o)-(p)]		81,896	
(6) Cap rate		5.3%	Decided on a cap rate for apartment buildings located in the lowest risk districts, after comprehensively considering yields of transactions in comparable apartment buildings in the market, results of a real estate investor survey, etc. Then assessed a yield difference in comparison with districts which meet the above criteria, based on cap rates for the appraisal values of the assessed real estate and for comparable real estate, considering rental supply and demand trends and property sales trends in these districts, etc.
Value of earnings calculated by the direct capitalization method [(5)÷(6)]		1,550,000	
Value calculated by discounted cash flow method		1,490,000	
	Discount rate	5.0%	Assessed by a method comparing with sample transactions in comparable real estate, together with a method which considers the specific characteristics of real estate to adjust yields of financial assets, and also considering interviews with investors, etc.
	Terminal cap rate	5.6%	Adjusts the cap rate assessed above by comprehensively considering the characteristics of the net income adopted, future uncertainties, liquidity, market characteristics, etc.
Cost method value		1,282,000	
	Total value of land and building		1,282,000
	Land value	492,000	
	Building value	790,000	
	Adjustment	0	The total value of the land and building is judged to be unchanged.

(7) Park Axis Hakata Eki Minami

(Thousands of yen)

Appraised value (specified value)	1,910,000	
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Assessment item	Details	Basis for assessment
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Operating revenues	(a) Unit rental revenues, including commons area fees	133,702	Assessed stable rents etc. which can be received over the mid and long term, based on levels of rents and commons area fees of the assessed real estate, and when assuming they are newly rented.
	(b) Utilities revenues	0	There are no utilities charges collected from renters.
	(c) Parking lot revenues	6,996	Assessed stable usage fees which can be received over the mid and long term, based on levels of usage fees etc. when assuming that they are newly rented.
	(d) Other revenues	5,503	Assessed other revenues, based on mid and long term stable rent revenues which can be received from each tenant when new contracts are signed, and considering the estimated number of months of key money and annual tenant turnover ratio .
	Revenues from key money, etc.	5,060	
	Renewal fees	121	
	Other revenues	322	
	(1): (a)+(b)+(c)+(d)	146,201	
	(e) Total loss from vacancies etc.	8,402	Assessed mid and long term operating levels, considering characteristics of the assessed property and vacancies of comparable real estate nearby.
	(f) Loss on bad debts	0	Not totaled, due to consideration of collateral such as security deposits.
(2) Operating revenues [(1)-(e)-(f)]		137,799	
Operating expenses	(g) Maintenance expense	6,177	Assessed by referring to the current expenses, considering comparable rental apartment building maintenance expenses, particular characteristics of the assessed real estate, etc.
	(h) Utilities expense	2,032	Assessed by referring to current expenses, considering comparable rental apartment building utilities expenses, particular characteristics of the assessed real estate, etc.
	(i) Repair expense	3,041	Assessed considering expenses to return units to original condition accompanying tenant turnover, and mid and long term repair and renewal expenses noted in the engineering report.
	(j) Property management fees	4,586	Assessed considering property management fees of comparable buildings.
	(k) Tenant soliciting fee, etc.	3,757	Assessed at 1.5 months of the unit rental revenue from above as fees, considering annual tenant turnover ratio, operating rate, current contract terms and lease terms of comparable real estate nearby, etc. The fees include fees to find and contract with new tenants and administrative fees for renewals of tenants.

	(l) Taxes and public dues	8,504	For the land, this was assessed based on the 2007 business year tax register, considering the special measures for small residential lots. For the building, this was assessed based on replacement cost, considering adjustments for the passage of time, etc.
	(m) Property insurance fee	510	Assessed by considering insurance rates for comparable buildings, etc.
	(n) Other expenses	3,084	Totaled based on the values shown in estimation.
	(3) Operating expenses [(g)+(h)+(i)+(j)+(k)+(l)+(m)+(n)]	31,691	
	(4) Net operating income [(2) – (3)]	106,108	
	(o) Earnings from temporary deposit	582	Assumed security deposits held multiplied by an assumed 2.0% investment yield. This yield is from a mid to long term perspective, based on data independently obtained by the real estate appraiser.
	(p) Capital expenditures	1,829	Assessed considering the number of years since construction, mid and long term repair and renewal costs in the engineering report, etc.
	(5) Net income [(4)+(o)-(p)]	104,861	
	(6) Cap rate	5.4%	Decided on a cap rate for apartment buildings located in the lowest risk districts, after comprehensively considering yields of transactions in comparable apartment buildings in the market, results of a real estate investor survey, etc. Then assessed a yield difference in comparison with districts which meet the above criteria, based on cap rates for the appraisal values of the assessed real estate and for comparable real estate, considering rental supply and demand trends and property sales trends in these districts, etc.
	Value of earnings calculated by the direct capitalization method [(5)÷(6)]	1,940,000	
	Value calculated by discounted cash flow method	1,870,000	
	Discount rate	5.1%	Assessed by a method comparing with sample transactions in comparable real estate, together with a method which considers the specific characteristics of real estate to adjust yields of financial assets, and also considering interviews with investors, etc.

	Terminal cap rate	5.7%	Adjusts the cap rate assessed above by comprehensively considering the characteristics of the net income adopted, future uncertainties, liquidity, market characteristics, etc.
Cost method value		1,525,000	
	Total value of land and building	1,525,000	
	Land value	570,000	
	Building value	955,000	
Adjustment		0	The total value of the land and building is judged to be unchanged.

NAF requested real estate appraisals for the properties acquired Daiwa Real Estate Appraisal Corp., Morii Appraisal & Investment Consulting, Inc., and Chuo Real Estate Appraisal Co., Ltd., based on points to note when appraising real estate from the Investment Trust and Investment Corporation Act of Japan and based on the Act on Real Estate Appraisal (1963 Law No. 152, including later amendments) and on real estate appraisal standards. The above figures record a summary of the real estate appraisal reports prepared. Each corresponding appraisal valuation is the judgment and opinion of the appraiser at a fixed point in time, with no guarantees as to the validity or accuracy of these reports, or the possibility of transactions at the appraised values.

Yen amounts are rounded off to the nearest thousand yen.

The external appearance and photographs of entrances to the properties acquired

Park Axis Akihabara













Park Axis Hakataeki Minami



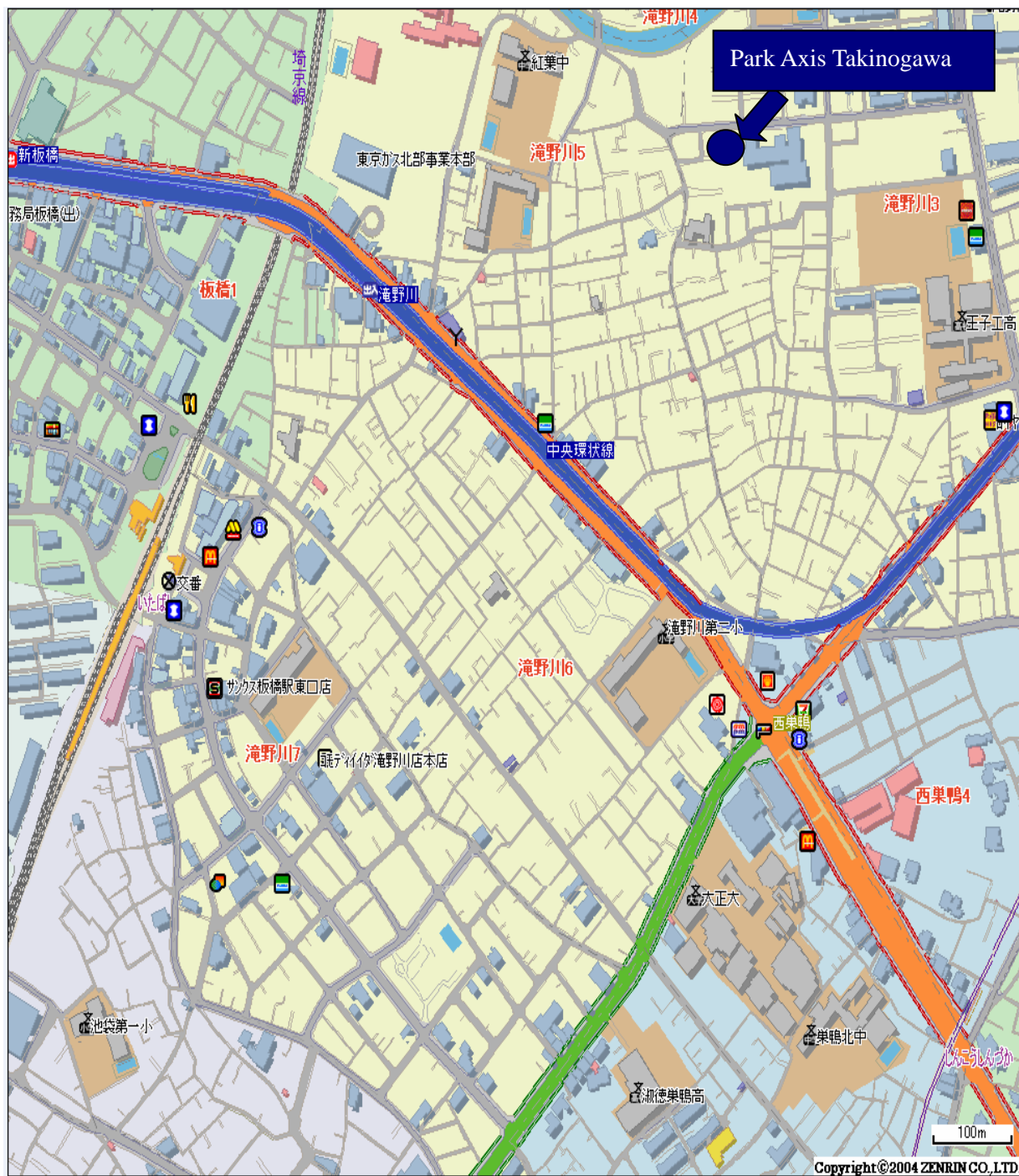
Maps to locate the properties acquired

Park Axis Akihabara

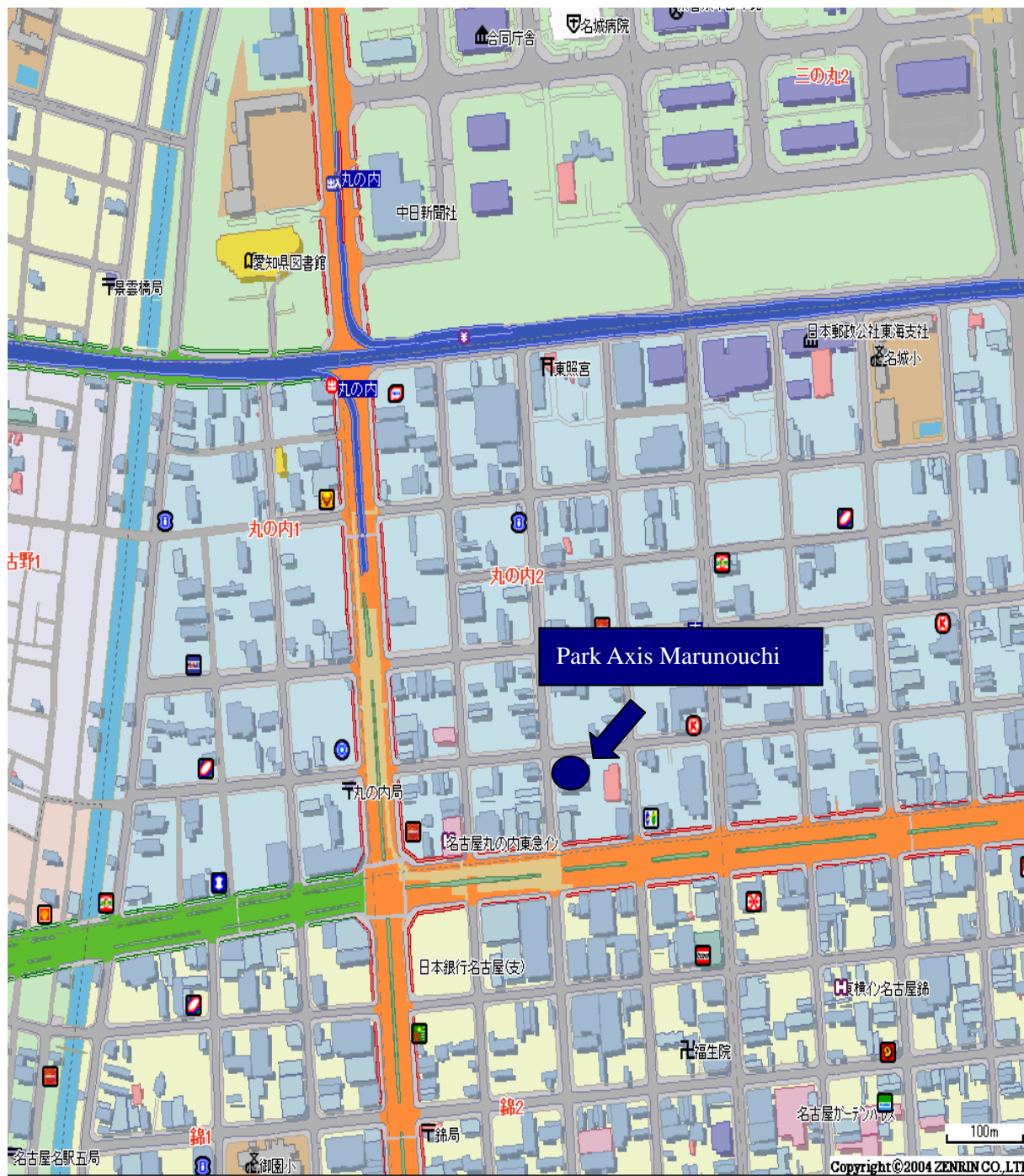


Park Axis Toyochi









Park Axis Ropponmatsu



Park Axis Hakataeki Minami

