



Nippon Residential Investment Corp. Explanatory Material on Accounts

for **8th** Fiscal Period
(six months ended November 2007)



NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION



PACIFIC
INVESTMENT
ADVISORS
CORPORATION

Table of Contents

Section I: Overview of 8 th Fiscal Period Accounts	2
Section II: Future Management Strategy	11
Section III: Detail of 8th Fiscal Period Accounts	28
Section IV: Reference Materials	35

Section I

Overview of 8th Fiscal Period Accounts



**NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION**



**PACIFIC
INVESTMENT
ADVISORS
CORPORATION**

Performance Highlights for 8th Fiscal Period

1 Paid distribution of 12,748 yen per unit

- 7,940 Mn yen of Operating Revenue, 3,150 Mn yen of Net Income, and 17,814 yen of FFO per unit

2 Built a highly competitive portfolio

- Acquired 26 assets (58.6 billion yen) and sold 3 assets (3.8 billion yen)^(Note 1). Heightened the quality (competitiveness of assets) of the portfolio through the replacement of properties
- Investment ratio in Tokyo 23 wards: 79.4%

3 Implemented database portfolio management

- Implemented investment decision-making and strategic leasing that makes use of databases
- Occupancy of properties owned at the beginning of the fiscal period^(Note 2): 92.7% (+1.7%)
- Implemented measures to raise rent when tenants are replaced centering on highly competitive properties in central Tokyo.

4 Reinforced financial foundation

- Promoted greater ratio of borrowings with fixed interest rates (ratio of borrowings with fixed interest rates increased to 84.2%^(Note 2))
- Secured financial stability (expanded lenders: from 21 to 22 lenders)
- Increased commitment line limit (from 11 Bn yen to 18 Bn yen)

(Note 1) Based on acquisition price

(Note 2) The 116 properties owned as of the end of the 7th Fiscal Period minus the 3 properties sold during 8th fiscal period

(Note 3) As of the end of the 8th Fiscal Period

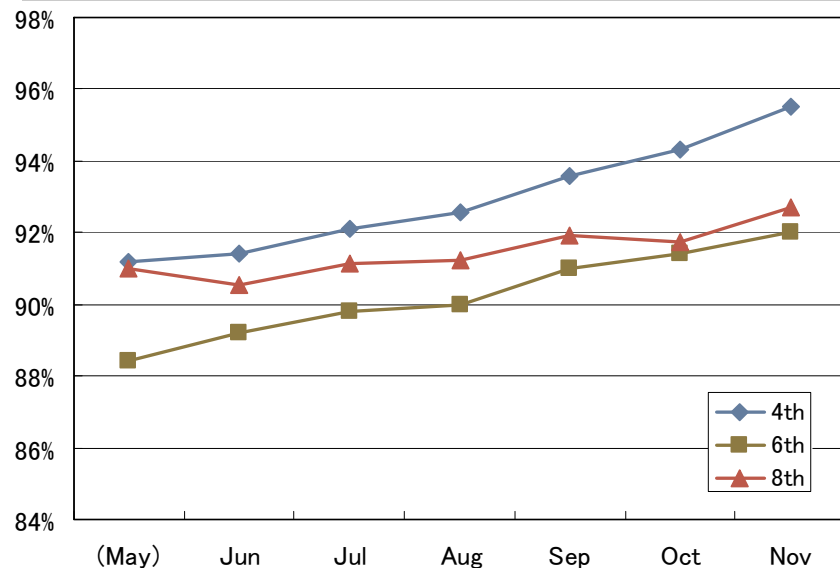
Summary of 8th fiscal period performance

	8 th period (Actual)	period-on-period Comparison		Performance Forecasts as of July 18, 2007	Actual-Forecasts Comparison	
Operating Revenues	7,940Mn Yen	+1,029Mn Yen	+14.9%	8,250Mn Yen	-310Mn Yen	-3.7%
Operating Profit	4,197Mn Yen	+659Mn Yen	+18.6%	4,367Mn Yen	-170Mn Yen	-3.9%
Ordinary Profit	3,158Mn Yen	+478Mn Yen	+17.9%	3,254Mn Yen	-96Mn Yen	-2.9%
Net Profit	3,150Mn Yen	+472Mn Yen	+17.7%	3,252Mn Yen	+102Mn Yen	-3.1%
Capital Gain from Sales of property	410Mn Yen	-351Mn Yen	-46.1%	412Mn Yen	-2Mn Yen	-0.5%
Depreciation	1,526Mn Yen	+237Mn Yen	+18.4%	1,502Mn Yen	+24Mn Yen	+1.6%
Distribution per Unit	12,748 Yen	-1,588 Yen	-11.0%	13,100 Yen	-352 Yen	-2.7%

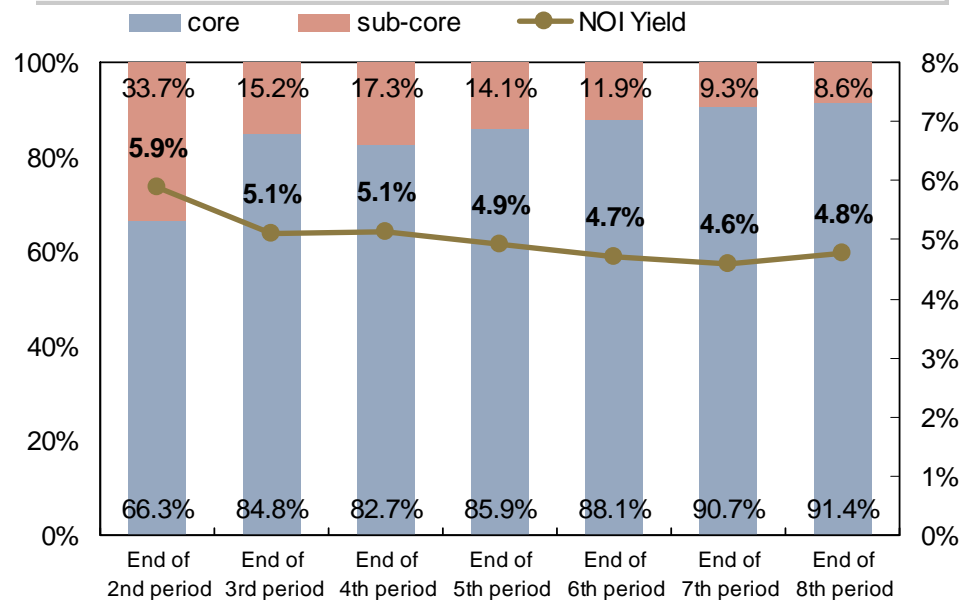
(Note) Figures are displayed with values below the indicated unit rounded off. Ratios are rounded to the 1st decimal place.

Analysis of Portfolio Yield

Trend of Occupancy Rate of properties held at the beginning of fiscal period (summer, autumn)



Portfolio Composition and Change in NOI Yield



Portfolio Yield by Acquisition Period

Period Acquired	Acquisition Price (Mn yen)	Appraisal Value		Result	
		Period End (Mn yen)	WA. NOI yield	(8th period) WA. NOI yield	(7th period) WA. NOI yield
Before 2nd	40,706	42,249	5.3%	5.3%	5.2%
3rd	69,308	72,417	5.1%	5.0%	5.1%
4th	33,647	31,054	4.9%	5.0%	4.9%
5th	31,760	32,208	5.0%	4.9%	4.4%
6th	5,380	5,410	4.9%	5.0%	3.3%
7th	44,663	46,912	5.1%	3.6%	2.6%
8th	58,682	58,999	4.9%	4.8%	-
8th Total	280,262	289,249	5.1%	4.8%	-

(Note) Yield is the weighted average based on acquisition price

Primary Variation Factors for NOI Yield between 7th and 8th Fiscal Periods

- Properties acquired between the 2nd and 6th fiscal periods performed well
- NOI yield of properties acquired in 7th fiscal period increased from 2.6% to 3.6%
 - Yield of three subleased properties (Note) increased from 1.8% to 4.6%
 - Yield of PT Azabu Juban decreased from 3.9% to 0.4%
 - Due to a lump move-out of tenant (minus 54Mn Yen against NOI budget) and repair cost by renovation work (minus 28Mn yen against NOI budget)

Forecast for 9th Fiscal Period and onwards

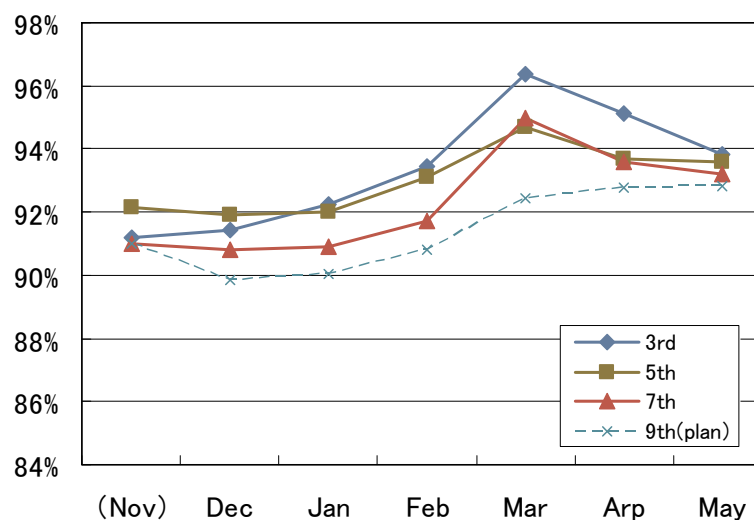
- Implied NOI yield of PT Azabu Juban: 1.6% (9th fiscal period), 4.0% (10th fiscal period)

(Note) Pacific Tower Meguro-Fudomae, Pacific Residence Ebisu-Minami, and Pacific Residence Nihonbashi-Bakurocho are the three properties with sublease contracts in which rent is guaranteed.

Forecast of 9th fiscal period performance

	9 th period (Dec.2007-May 2008)	Assumption
Operating Revenues	9,192Mn Yen	[Assets under management] Assuming that assets under management comprises the 139 properties owned as at Nov. 30, 2007, and adding to that number 2 properties to total 141 properties, and then subtracting from that number 2 properties that are to be transferred during the 9th fiscal period.
Operating Profit	4,508Mn Yen	[Investment units] Premised on 247,153 units, which is the number of investment units outstanding as of the end of the 8th fiscal period, and that there will be no additional issue of investment units up to the end of May 2008.
Ordinary Profit	3,239Mn Yen	[Other] Pacific Royal Court Minato-Mirai Ocean Tower will be acquired by 100% debt financing (interest rate assumption: 1.5%). The impact on DPU will be -900yen (9 th period), ±0yen (10 th period), and +700 yen (11 th period and onwards)
Net Profit	3,237Mn Yen	
Capital Gain from Sales of property	720Mn Yen	
Depreciation	1,821Mn Yen	
Distribution per Unit	13,100 Yen	
Investment Units Outstanding	247,153 units	

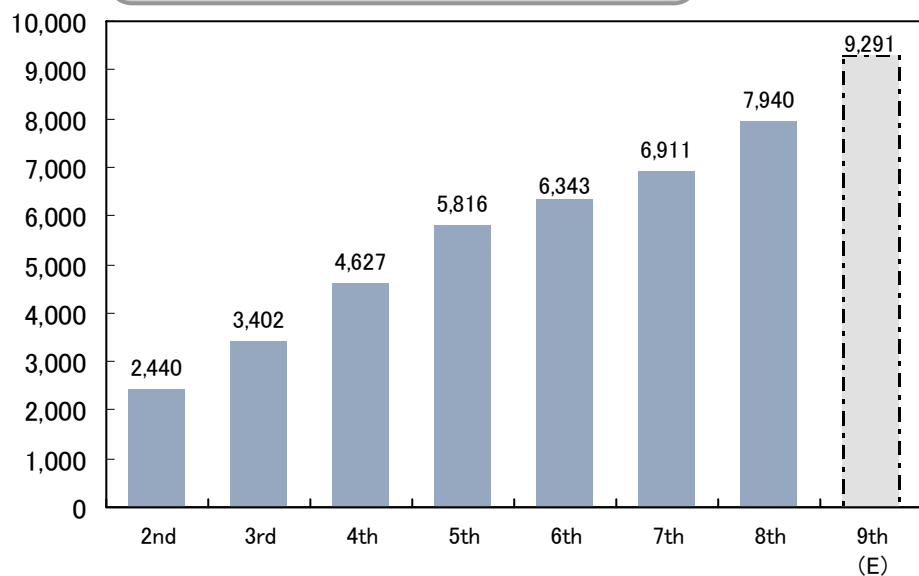
Trend of Occupancy Rate of properties held at the beginning of fiscal period (winter, spring)



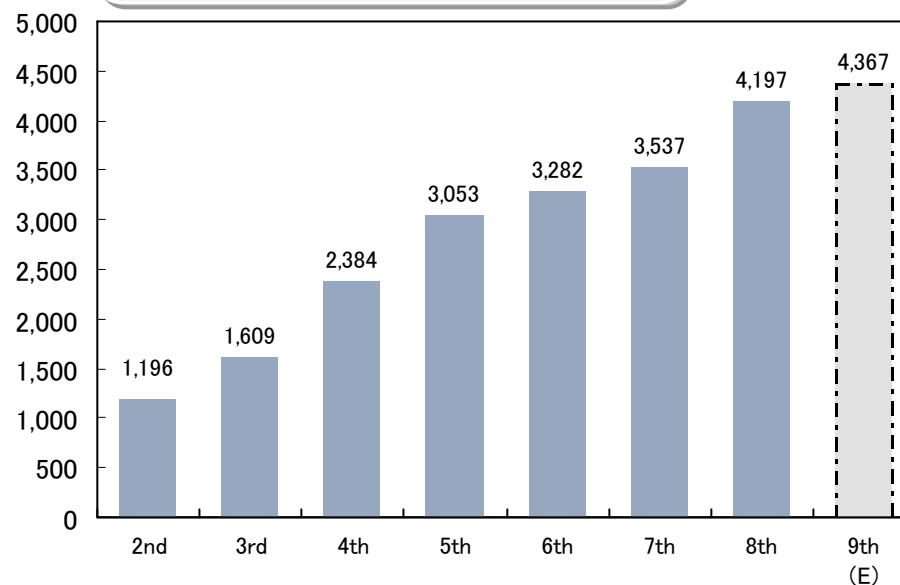
(Note) Figures are displayed with values below the indicated unit rounded off.

Performance Trend

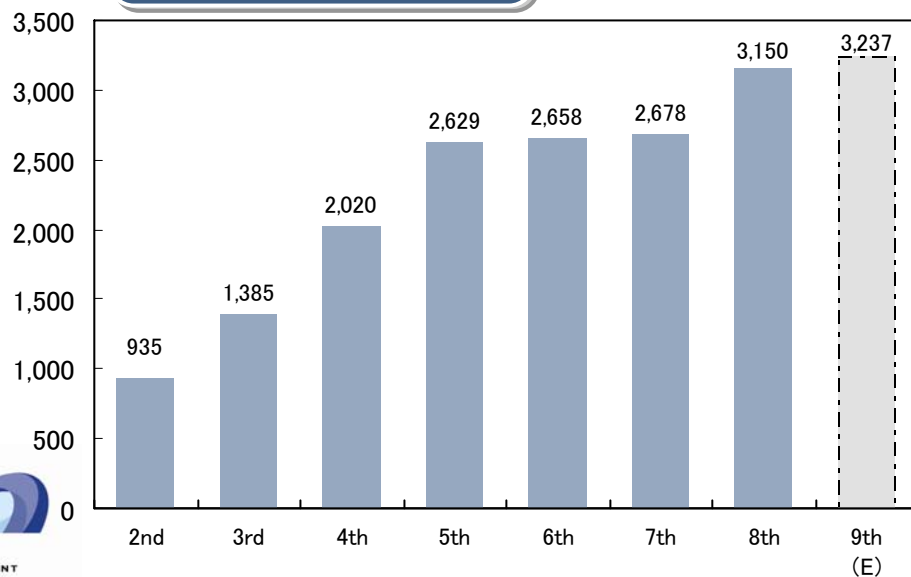
Operating Revenues (Million yen)



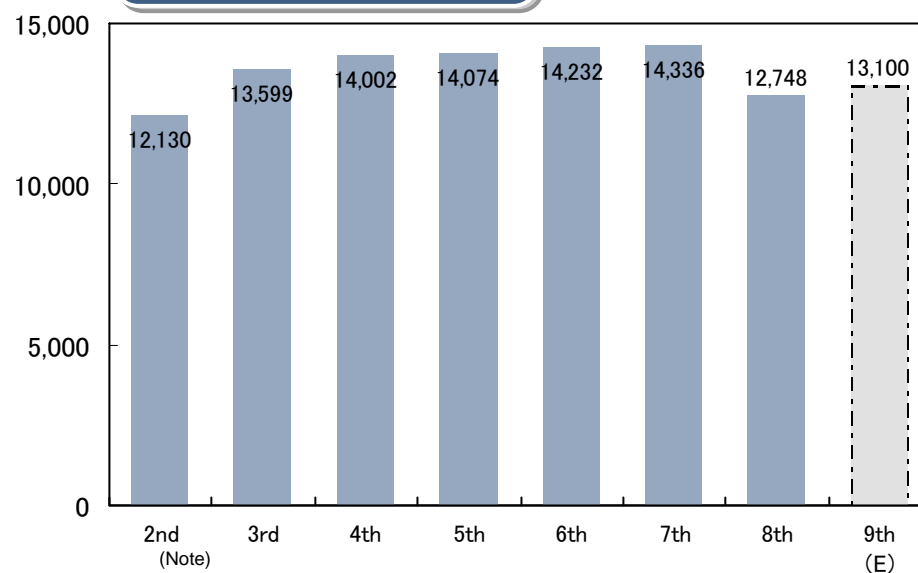
Operating Profits (Million yen)



Net Income (Million yen)



Distribution per unit (yen)

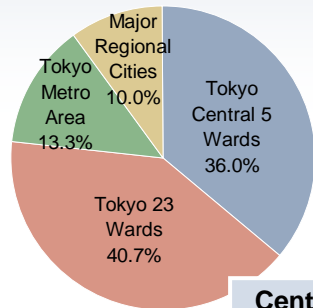


(Note) 2nd fiscal period has been converted to 182 days since it is 274 days in length.

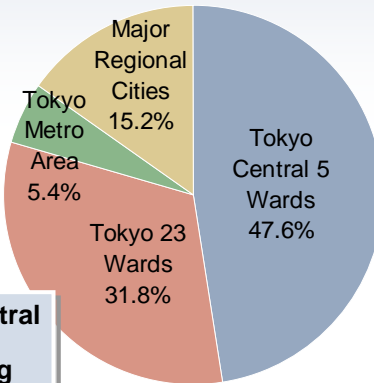
Changes in Portfolio Quality since IPO

Geographic Distribution

IPO 38 Assets



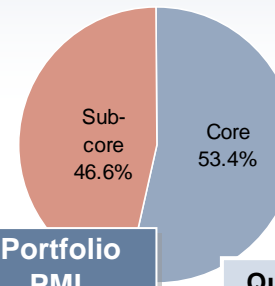
8th Period End 139 Assets



Centered on central Tokyo where demand is strong

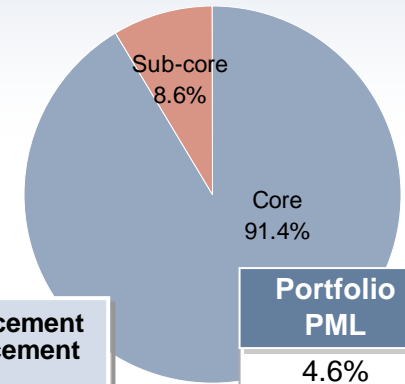
Core & Sub-core Distribution

IPO 38 Assets



Portfolio PML
5.9%

8th Period End 139 Assets

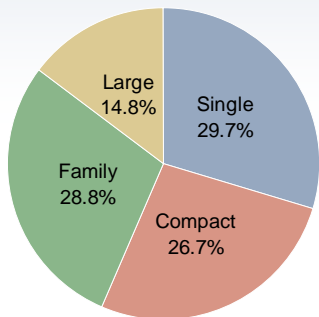


Portfolio PML
4.6%

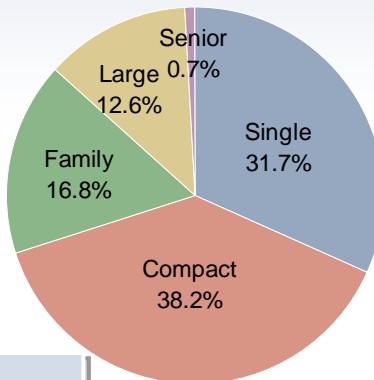
Quality enhancement through replacement of properties

Type Distribution

IPO 38 Assets



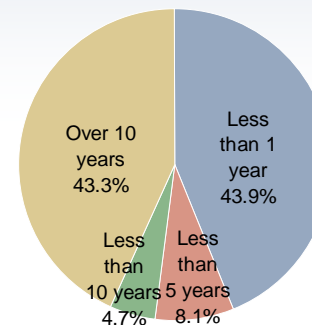
8th Period End 139 Assets



Put priority in investing in assets targeted for smaller sized families

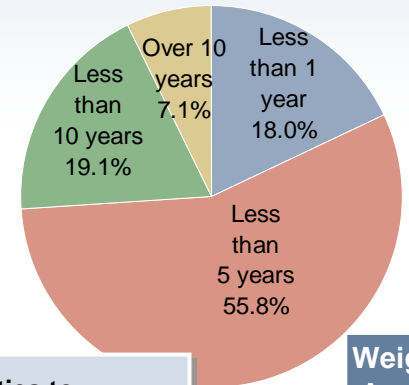
Age Distribution

IPO 38 Assets



Weighted Average
6.6 years

8th Period End 139 Assets



Weighted Average
4.2 years

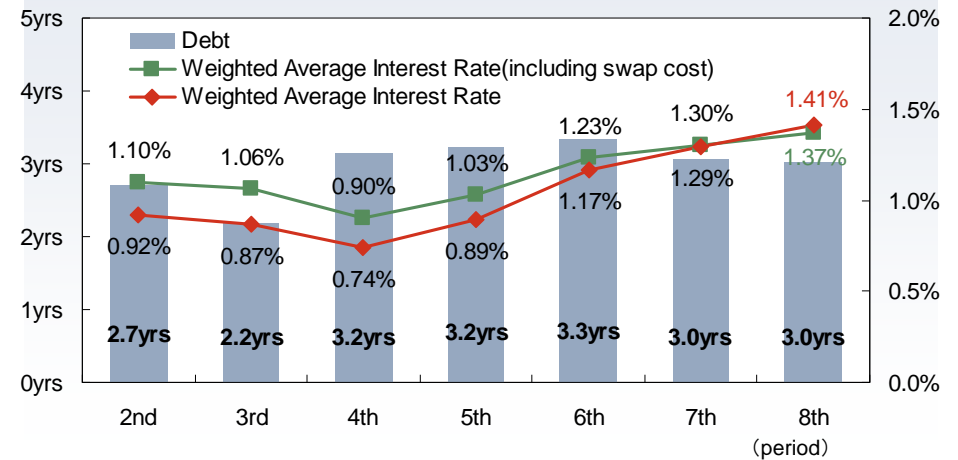
Acquisition of properties to maintain the weighted average age of portfolio within 10 years old.

Building a Sound Financial Base

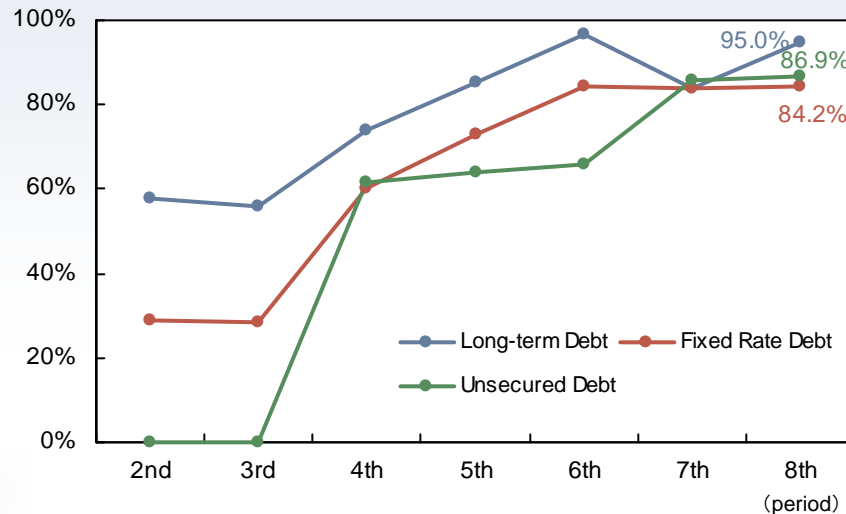
Policy for NRIC Building a Financial Foundation

- Extending periods of borrowing and fixing interest rates on loans
- Maintaining a sound debt ratio
- Diversification of repayment dates
- Securing diverse means for procuring funds
- Expanding sources for raising capital

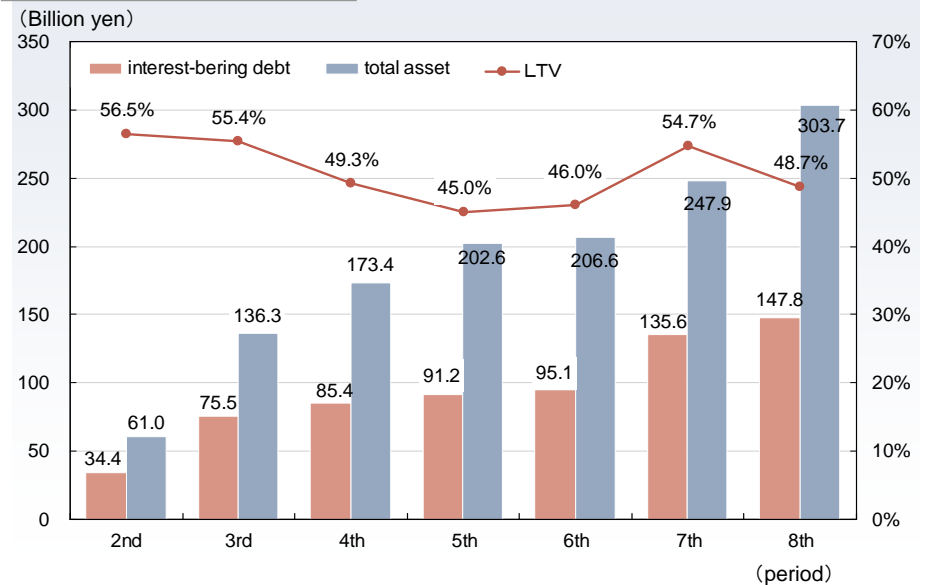
Change in Weighted Average Interest



Promotion of Fixed Interest

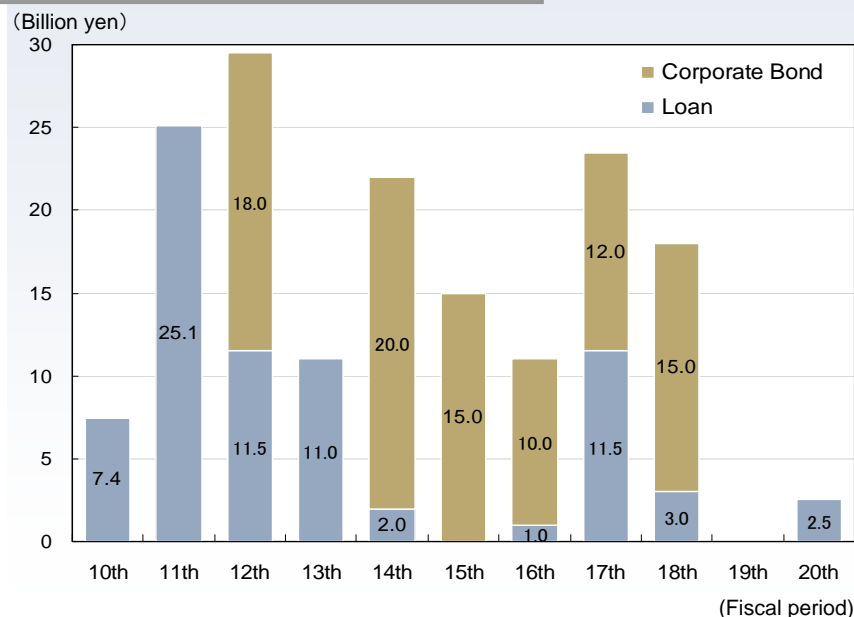


Change in LTV

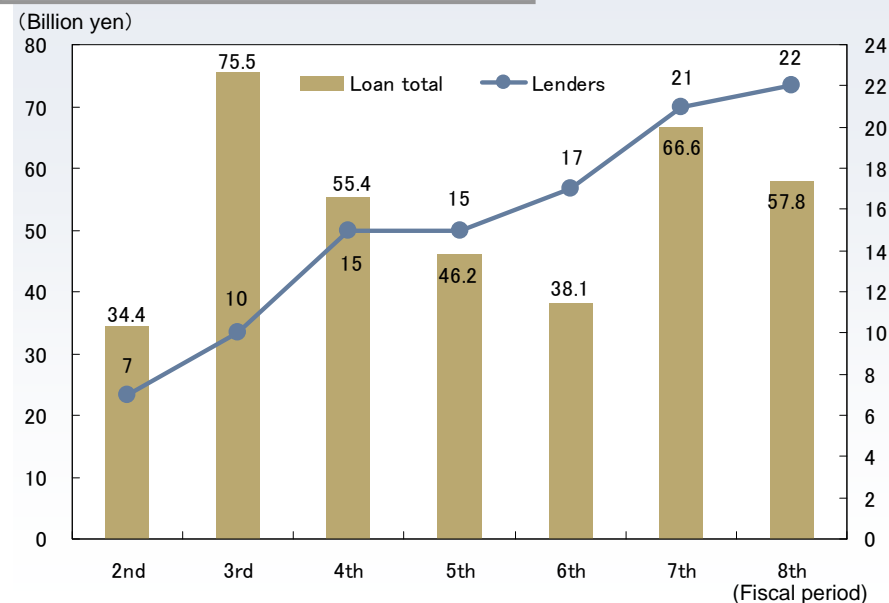


Building a Sound Financial Base

Dispersion of Maturity Dates



Diversification of Lender



Issuance of Corporate Bond

Public Private	Date of Issuance	Redemption	Issuance Amount	Interest Rate	Credit Rating
Public	2005/7/20	2010/7/20 (5years)	JPY 10Bn	0.74%	A2 (Moody's)
Public	2005/9/26	2010/9/24 (5years)	JPY 10Bn	0.84%	A2 (Moody's)
Public	2005/9/26	2012/9/24 (7years)	JPY 10Bn	1.28%	A2 (Moody's)
Public	2006/2/20	2011/2/18 (5years)	JPY 15Bn	1.50%	A2 (Moody's)/A+ (R&I)
Public	2006/10/25	2009/10/23 (3years)	JPY 12Bn	1.54%	A2 (Moody's)/A+ (R&I)
Public	2007/2/9	2012/2/9 (5years)	JPY 12Bn	1.84%	A2 (Moody's)/A+ (R&I)
Public	2007/9/13	2011/9/11 (3years)	JPY 6Bn	1.36%(note1)	A2 (Moody's)/A+ (R&I)
Public	2007/9/13	2011/9/13 (4years)	JPY 10Bn	1.47%(note2)	A2 (Moody's)/A+ (R&I)
Public	2007/9/13	2012/9/13 (5years)	JPY 5Bn	1.90%	A2 (Moody's)/A+ (R&I)
Total	-	-	JPY 90Bn	-	-

(note1) Interest rate as of the end of 8th fiscal period. Issued at 6-month Euroyen LIBOR + 0.30%
 (note2) Interest rate as of the end of 8th fiscal period. Issued at 6-month Euroyen LIBOR + 0.42%

Credit Rating

Credit Rating Agency	Credit Rate	Outlook
Moody's Investor Service Inc.	A2	Stable
Rating and Investment Information, Inc.	A+	Stable

Commitment Line Limit

Lenders	Amount
The Bank of Tokyo-Mitsubishi UFJ, Ltd. The Mitsubishi UFJ Trust and Banking Corporation The Sumitomo Trust & Banking Co., Ltd. The Chuo Mitsui Trust and Banking Company, Ltd. Mizuho Corporate Bank, Ltd.	18Bn yen

(As of the end of Dec.2007)

(As of the end of Dec.2007)

Section II

Future Management Strategy



**NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION**



**PACIFIC
INVESTMENT
ADVISORS
CORPORATION**

Market Awareness and Future Measures

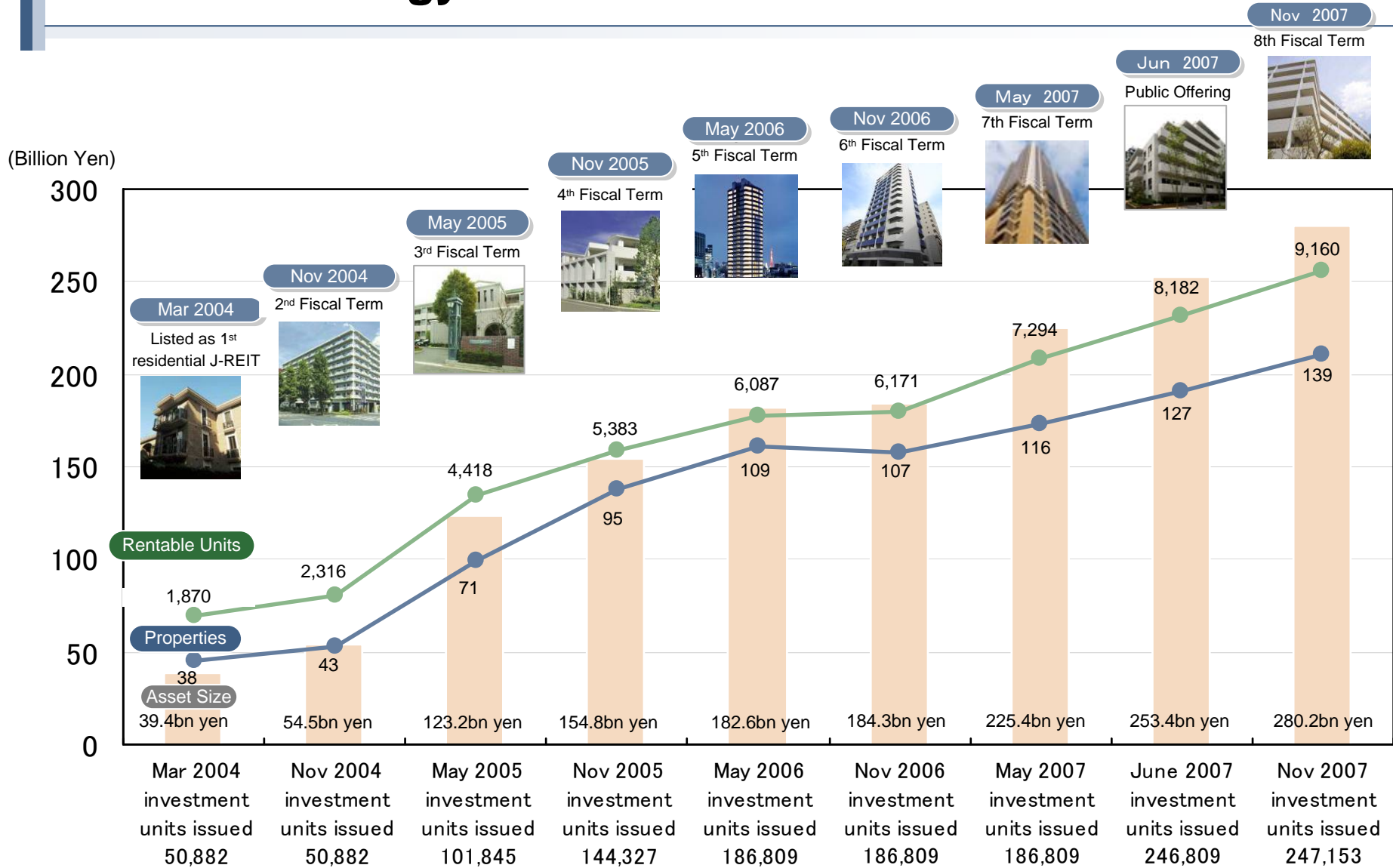
Market Awareness

Financial Market	<ul style="list-style-type: none"> ■ Prolonged subprime issue ■ Downturn in REIT market ■ REITs and investors “focus away from housing” <p>→ Concern for decreasing ability to raise capital</p>
Rental Housing Market	<ul style="list-style-type: none"> ■ Trend of population to return to city center and demand for high-class properties ■ Demand for corporate housing due to restart of recruitment ■ Stagnant supply of for-sale condominiums ■ Some regional cities are oversupplied <p>→ Rental demand is strong for the medium term</p>
Real Estate Sales Market	<ul style="list-style-type: none"> ■ Increase of low-quality properties being distributed in the market ■ Continued competition for acquisition, centering on large properties <p>→ Asset value of prime properties continue to be highly valued</p>

Future Issues and Measures

Internal Growth	<h3>Improve NOI by Utilizing the Portfolio Network</h3> <ul style="list-style-type: none"> ■ Reinforcing the “Pacific Residence” brand ■ Raising new and continuing rents ■ Maintaining and improving competitiveness through renovations, etc. ■ Realizing greater cost efficiency by applying economies of scale
Financial and Management Policy	<h3>Reduce Risk through Conservative Management</h3> <ul style="list-style-type: none"> ■ Spreading remaining terms for borrowings, and expanding sources and methods for raising capital ■ Thoroughly enforcing compliance and risk management ■ Conducting highly-transparent information disclosure
External Growth	<h3>Enhance the Revenue-generating Potential of the Portfolio</h3> <ul style="list-style-type: none"> ■ Increasingly enhancing the revenue-generating potential of the portfolio through the replacement of properties

Portfolio Strategy



Network utilization phase

IPO and expansion phase

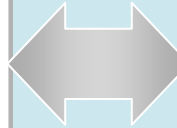
Quality improvement phase

Support by the Pacific Management (PMC) Group

Overview of Support



**Nippon Residential
Investment Corporation**



**Pacific Investment
Advisors Corporation**

Support of External Growth

Project management of
development projects

Sourcing real estate deal and other
information

Priority negotiations on sale of real
estate, etc.

Provision of warehousing, etc.
through fund arrangement

Support of External Growth

Promotion of “Pacific Residence”
brand strategy

Operation of dedicated leasing site
“Pacific Rent”

Implementation of resident service
program

Alliance with operator of senior
housing

Properties (to be) acquired Pacific Royal Court Minato Mirai

C-49 Pacific Royal Court Minato Mirai



(left: Ocean Tower, right: Urban Tower)



Acquisition Price	(O) 15,221Mn yen (U) 11,715Mn yen
Sellers	(O) DH Development Minato Mirai Y.K. (U) PD Minato Mirai TMK
Location	Yokohama-shi, Kanagawa
Rentable Unit	(O) 416 (U) 417 (planned)
Construction Completion	(O) December 2007 (U) June 2008 (planned)

[Property Characteristics]

The Property is a twin tower condominium with 29 floors above ground. In line with the “Minato Mirai 21” project, which aims to integrate advanced urban functions of Yokohama, the Property pursues a façade design that stands out against beautiful streetscape. The building interior has also been designed with a revolutionary urban concept in mind and is equipped with an extensive range of attractive disaster prevention, information, environment and other features that look ahead to the future.

Properties to be acquired

Park Tower Shibaura Bayward Urban Wing

F-25 Park Tower Shibaura Bayward Urban Wing



Acquisition Price	14,510Mn yen
Seller	Acacia Properties Inc.
Location	Minato-ku, Tokyo
Rentable Unit	191
Construction Completion	July 2005

[Property Characteristics]

The Property is a tower condominium with 29 floors above ground. Through the entrance featuring a glass and tree design and pass the modern lobby, tenants can lead a comfortable lifestyle in their respective private-use space as the specifications are equivalent to a for-sale property. From the windows, tenants can take in the city sights of Tokyo Tower and the cluster of high-rise buildings of Shinjuku and Roppongi, as well as a panoramic view of Rainbow Bridge and the sights of Tokyo Bay overlooking Harumi and Odaiba.

Maintaining and Improving Portfolio's Revenue Potential

Acquisition of highly competitive properties

- Acquisition of primarily core assets
- Investment in development projects
- Implementation of brand strategy

Maintaining and improving revenue-generating potential of portfolio

Replacing properties through their sale

- Dynamic portfolio management based on analysis of real estate market trends, variation in asset value, etc.
- Obtaining the blessings of internal growth

Properties to be disposed

S-23 Umeda Excelheights



Acquisition Price	5,250Mn Yen
Disposition Price	6,200Mn Yen
Appraised Value	5,380Mn Yen
Buyer	MS Japan Strategic Core Acquisition K.K.
Address	Kita-ku, Osaka-city
Construction Completion	February 2002

L-12 SOHOKita-Aoyama



Acquisition Price	1,160Mn Yen
Disposition Price	1,500Mn Yen
Appraised Value	1,230Mn Yen
Buyer	MS Japan Strategic Core Acquisition K.K.
Address	Minato-ku, Tokyo
Date of Completion	March 2004

Record of Property Sales

Fiscal Period	Asset Name	Sales Price	①Purchase Price	Appraisal Value	②Gain from Sales	(②/①)	Building age at the time of disposition
3rd	Veil Kohinata	345,475	273,000	291,000	45,715	17%	7
	Manoa Saginuma	450,000	346,000	367,000	72,690	21%	16
4th	C.F. Kamihongo	1,430,000	1,140,000	966,000	138,070	12%	15
	W. Higashi-Nippori II	1,170,000	972,000	1,020,000	131,705	14%	15
5th	Veil Kikuicho	636,000	520,000	564,000	75,419	15%	8
	Bonne Uji I & II	1,502,000	1,260,000	1,240,000	154,431	12%	19
	C.M. Tsurumi	1,308,000	1,050,000	1,160,000	169,729	16%	16
6th	Nishi-Ogikubo U.H.	1,360,000	1,050,000	1,190,000	238,897	23%	17
	J-Stage Minami-Urawa	932,000	700,000	664,000	174,001	25%	14
	Maison Kashiwa	1,167,000	840,000	981,000	240,328	29%	17
	F.yoyogi-Uehara II	651,000	524,000	575,000	84,416	16%	11
7th	Als Shin-Otsuka	1,323,000	1,117,000	1,220,000	139,451	12%	18
	Manoa Okamoto	825,000	590,000	516,000	211,536	36%	18
	Bellwood	1,980,000	1,530,000	1,410,000	421,319	28%	18
8th	Grand Forme Ichigaya Haraikatamachi	1,268,000	970,000	1,040,000	231,596	24%	17
	Meguro Hillside Court	1,253,000	1,000,000	1,140,000	212,265	21%	17
8th	Setagaya Sun Heights	1,117,040	982,000	1,080,000	91,983	9%	15
	Petit Cour Kinuta	737,983	684,000	687,000	41,863	6%	18
8th	Root Azabu Jyuban	2,570,000	2,220,000	2,200,000	276,384	12%	9

(Note 1) Appraisal value: The period end price of each property in the period immediately before the property was sold.

(Note 2) Building age at the time of disposition is rounded up.

Internal Growth Efforts

I “Reinforce Area/Property Characteristics” by Utilizing Extensive Historical Data

- Data-based leasing plans
 - Newly-acquired properties ... Ensure stable occupancy early through favorable conditions
 - Properties with high occupancy... Raise new rent and revised rent
 - Properties with low occupancy ... Secure occupancy
- Expand revenue-generating potential of properties through value enhancement

II “Improve Management” in Collaboration with Property Management Company

- Utilize rent-guaranteed subleases... Motivate property management companies and stabilize revenue
- Capture leasing agents ... Reinforce pipeline
- Partner with corporate housing outsourcers
 - ... Tap corporate housing demand
- Integrate building management ... Boost efficiency and quality of building management
- More appropriately assess property management companies
 - ... Introduce quantitative assessment and feedback system

III “Create Added Value” by Promoting Brand Strategy

- Establish leasing site utilization structure ... Increase new contracts
- Proactive promotion of Moving Style
- Establish building management structure ... Create base value
- Strengthen leasing promotion

Maximize rental income

Create economies of scale and cost advantages

Enhance brand recognition, and tenant satisfaction and trust

Construct a revenue structure capitalizing on economies of scale

Example of Value Enhancement: Pacific Tower Azabu-juban

In light of the poor specifications, design and floor plan, along with the potential of the location not being fully demonstrated, NRIC enhanced the value by adopting a design that exhibits a sense of high grade as a tower condominium and installed a concierge.

Before



After



Trend of Rents in the portfolio

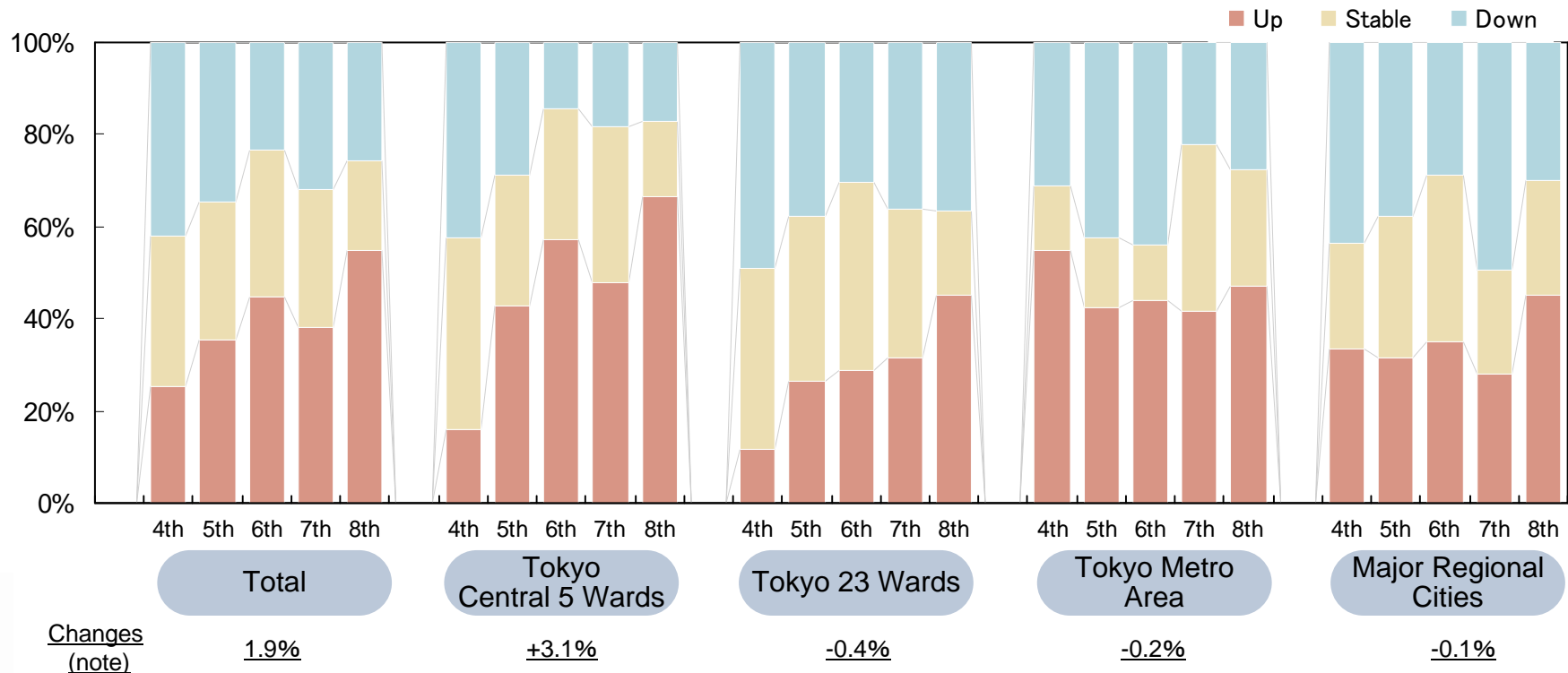
8th Fiscal Period Measures

- Newly contracted rent increased centered on central Tokyo (Tokyo's central 5 wards: More than 60% of contracts with increased rent; New contracted rent up 3.1%)
- Achieved some rental increase for tenants for renewal contract

Approaches in 9th Fiscal Period and Onwards

- Properties with increasing rent
 - Expand size of rental increase for new contracts
 - Promote rent hikes at time of contract renewal
- Properties with decreasing rent
 - Leasing activity putting priority in securing occupancy rate

Rent Trends (based on no. of new lease agreements)

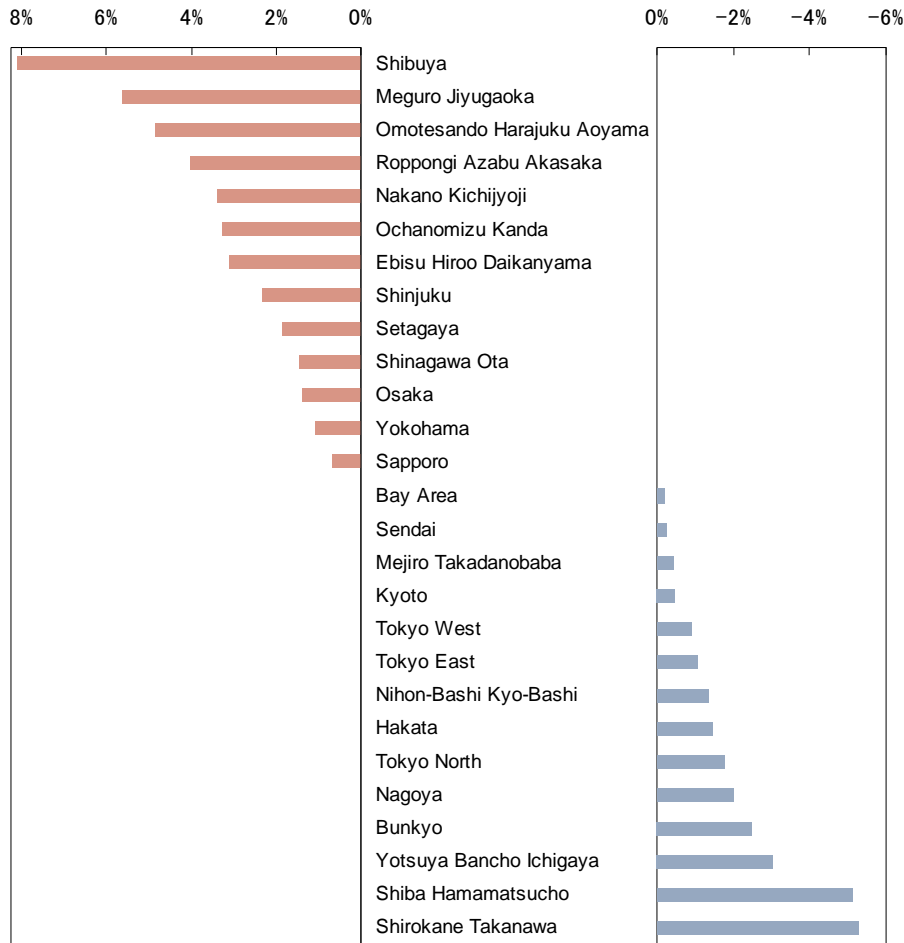


(Note) Changes indicates the difference between the total rent of move-in and total rent move-out



Trend of Rent

Rent Trends by Zone



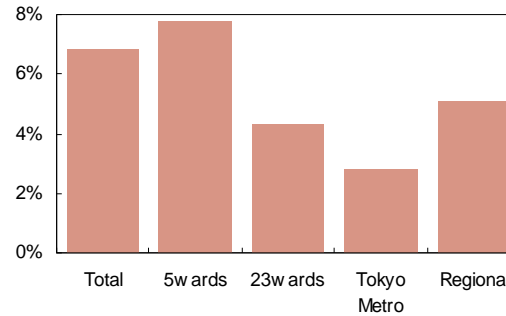
(Note) This is a tabulation by zone of the change rate between the total rents paid by tenants who have left units and the total rents of new tenants in cases where rents rose upon the replacement of tenants during the period.

Rate of Rent Growth for New Contracts

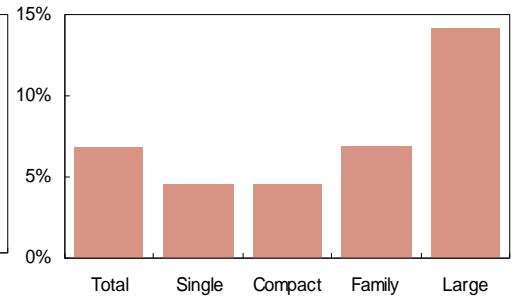
Average increase per contract

6.9%

By Area



By Type

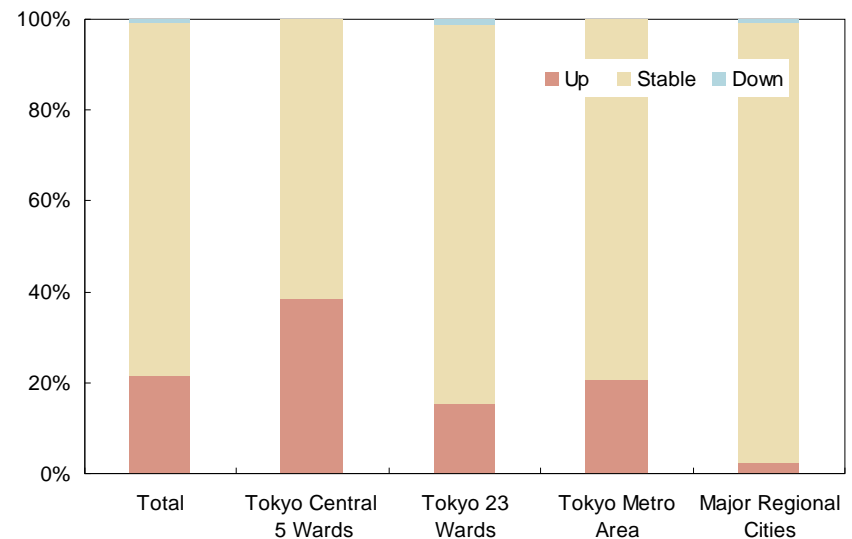


tenants who have left units and the total rents of new tenants in cases where rents rose upon the replacement of tenants during the period.

Trends for Renewed Rents (number of cases based)

Average increase per contract

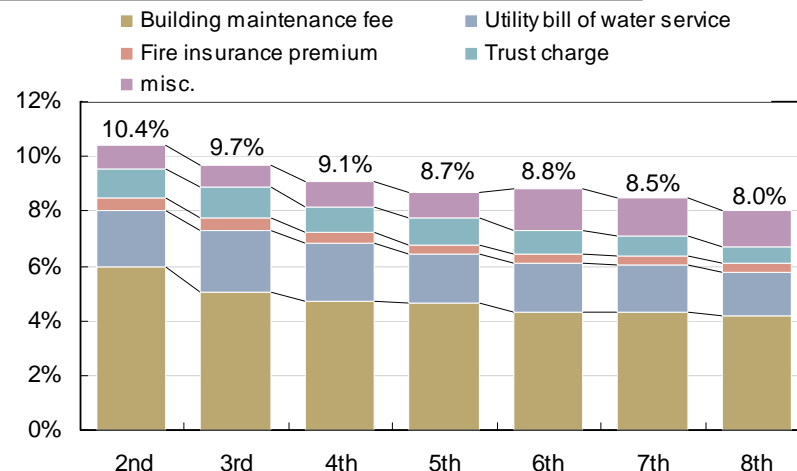
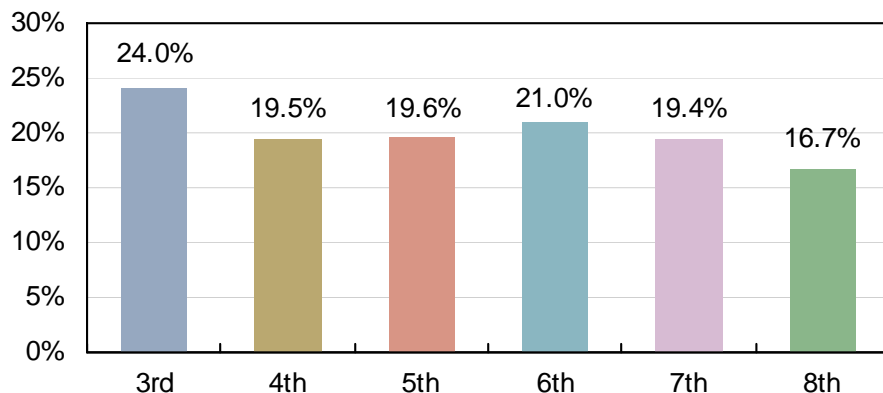
2.0%



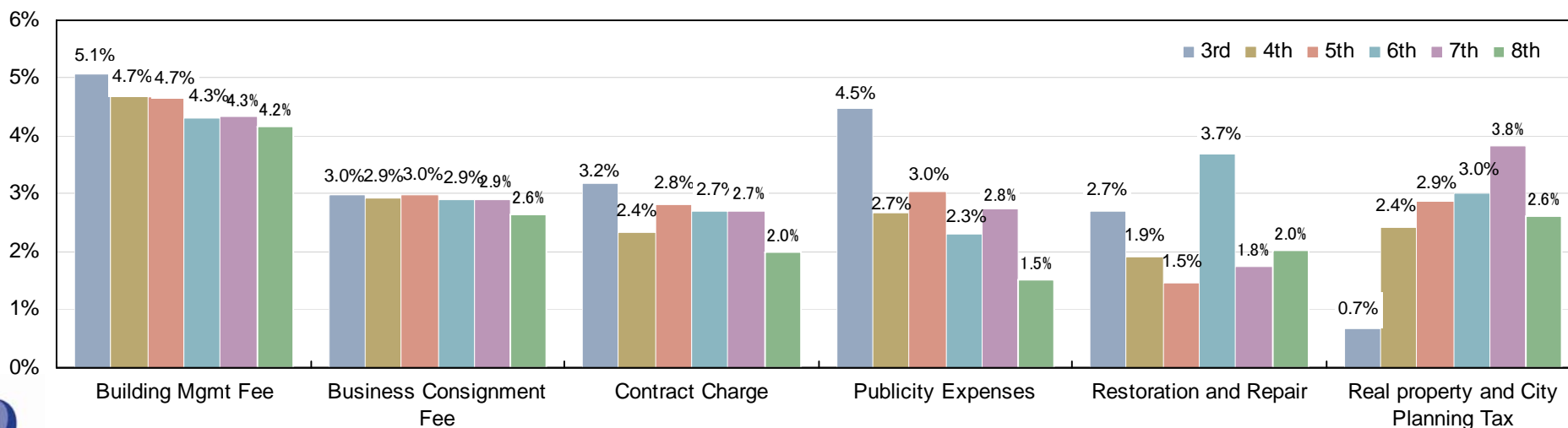
Reducing Property Management Costs Utilizing Scale Merits

Changes in Rental Expenses and Fixed costs (percentage of rents and common expenses)

Not including real property tax and city planning tax



Changes in Rental Expenses (primary categories; percentage of rents and common expenses)





“Pacific Residence” Brand Strategy

Introduction of New Symbol Logo



Designed based on the motif of P and R – the initials of “Pacific Residence.” The freedom, dynamism and flexibility that are expressed with the use of soft curves represent the very concept of values and lifestyles that the “Pacific Residence” brand seeks to offer.

Media Utilization

TV commercials

Newspaper ads

Magazines on planes/trains

Online listing ads

Banner ads

Cinemas

Promotion of Brand Selection

Brand portal site



Leasing site

Leasing Firm Support

Briefing session for brokers

Caravan for brokers

Unification of ads design



Encourage Moving

Dedicated site for tenants

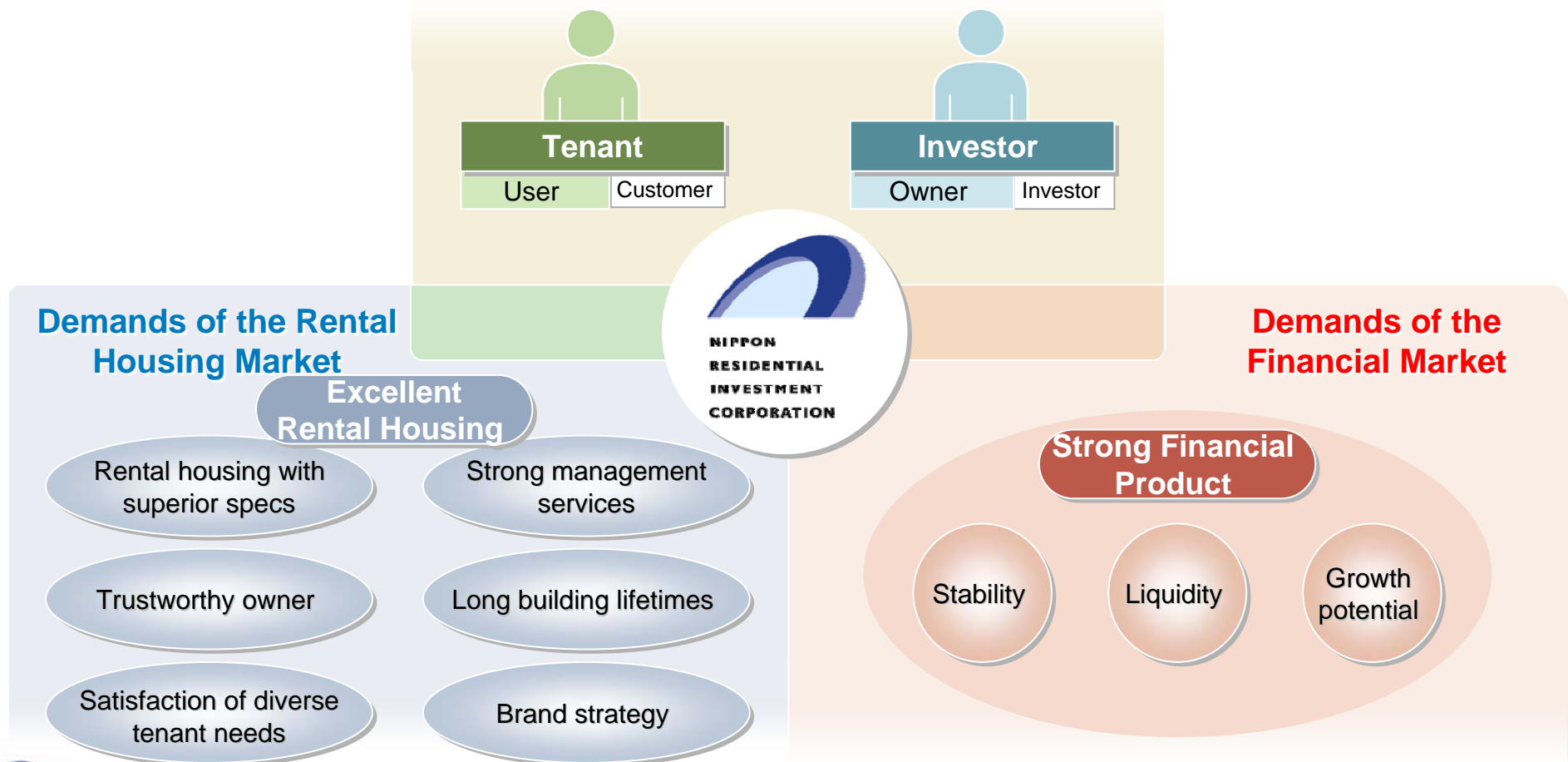
Offer Moving Style



Scheduled to start in late January 2008

Philosophy of Nippon Residential Investment Corporation

Nippon Residential Investment Corporation will optimally manage rental housing – a vital societal asset of Japan – from a long-term perspective to provide Superior Rental Housing and a Superior Financial Product to society and build a socio-economic foundation that is forever trusted by the people of Japan.



Section III

Detail of 8th Fiscal Period Accounts



**NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION**



**PACIFIC
INVESTMENT
ADVISORS
CORPORATION**

Balance Sheet (Assets)

(thousand yen)

(Assets)	7th fiscal period		8th fiscal period		Change	
	(as of May 31, 2007)		(as of Nov 30, 2007)		Amount	(%)
	Amount	Ratio(%)	Amount	Ratio(%)		
I. Current Assets						
Cash and Deposits	8,498,922		7,258,237		△ 1,240,684	
Cash in Trust and Deposit in trust	3,226,380		3,950,800		724,419	
Accounts Receivable	292,057		304,222		12,165	
Prepaid Expenses	39,817		19,231		△ 20,586	
Deferred Tax Assets	11,499		4,366		△ 7,133	
Accrued Revenue	-		-			
Accrued Corporate Tax	-		3,824		3,824	
Accrued Consumption Tax	113,735		101,206		△ 12,529	
Other Current Assets	13,369		12,968		△ 401	
Allowance for Bad Debt	△ 7,806		△ 4,498		3,308	
Total of Current Assets	12,187,975	4.9	11,650,358	3.8	△ 537,616	△ 4.4
II. Fixed Assets						
1. Tangible Fixed Assets						
Buildings	57,520,971		70,265,439		12,744,467	
Structures	330,644		415,399		84,755	
Tools, Funitures & Fixtures	109,413		111,081		1,668	
Lands	65,670,518		84,278,739		18,608,220	
Construction in Progress	23,632		8,114		△ 15,518	
Buildings in Trust	47,279,624		54,863,960		7,584,336	
Structures in Trust	308,052		335,367		27,314	
Tools, Funitures & Fixtures in Trust	32,158		27,362		△ 4,795	
Lands in Trust	61,952,566		79,323,898		17,371,331	
Construction in Progress in Trust	1,159		-		△ 1,159	
Total of Tangible Fixed Assets	233,228,741	94.0	289,629,362	95.4	56,400,620	24.2
2. Intangible Fix Assets						
Leaseholds	1,214,497		1,214,497			
Total of Intangible Fixed Assets	1,214,497	0.5	1,214,497	0.4	-	0.0
3. Investment and other assets						
Long-term Prepaid Expenses	771,754		795,734		23,979	
Deferred Tax Assets	-		35,013		35,013	
Deriatives Assets	358,866		174,702		△ 184,164	
Security Deposits	600		1,238		638	
Guarantee Deposits Paid	10,000		10,000		-	
Total of Investment and other assets	1,141,221	0.5	1,016,688	0.3	△ 124,532	△ 10.9
Total of Fixed Assets	235,584,460	95.0	291,860,548	96.1	56,276,088	23.9
III. Deferred Assets						
Initial Expenses	6,624		-		△ 6,624	
Corporate Bonds Issuance cost	177,086		220,712		43,625	
Total of Deferred Assets	183,710	0.1	220,712	0.1	37,001	20.1
Total Assets	247,956,146	100.0	303,731,619	100.0	55,775,473	22.5

Fixed Assets

- Buildings, land, buildings in trust and land in trust

Properties acquired in 8th Fiscal Period: 26 properties (total of 58,682 million yen)

Properties sold in 8th Fiscal Period: 3 properties (3,967 million yen in total book value as of May 31, 2007)

Deferred Assets

- Corporate bond issuance cost
- Accompanying 12 billion yen issuance of 7th, 8th and 9th unsecured investment corporation bonds

(Reference)

8 th Fiscal Period amortization	59,773 thousand yen
Unamortized balance	220,712 thousand yen

Balance Sheet (Liabilities and Unitholders' Equity)

(thousand yen)

	7th fiscal period (as of May 31, 2007)		8th fiscal period (as of Nov 30, 2007)		Change	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	(%)
(Liabilities)						
I. Current Liabilities						
Accounts Payable	150,589		158,220		7,630	
Short-term Borrowings	22,170,000		7,400,000		△ 14,770,000	
Accrued Liabilities	56,063		34,416		△ 21,647	
Accrued Expenses	653,152		865,620		212,467	
Income Tax Payable	6,803		605		△ 6,198	
Receipt in Advance	249,971		26,060		△ 223,910	
Other Current Liabilities	225		174		△ 51	
Total of Current Liabilities	23,286,807	9.4	8,485,097	2.8	△ 14,801,709	△ 63.6
II. Fixed Liabilities						
Corporate Bond	69,000,000		90,000,000		21,000,000	
Long-term Borrowings	44,500,000		50,400,000		5,900,000	
Deferred Tax Liabilities	71,289		0		△ 71,289	
Security Deposits and Guarantee Money	1,266,984		1,454,994		188,010	
Security Deposits and Guarantee Money in Trust	1,349,523		1,667,055		317,531	
Long-term advance received	-		20,511		20,511	
Long-term deposits received	88,940		82,592		△ 6,348	
Derivative Liabilities	-		104,988		104,988	
Other Fixed Liabilities	10,270		0		△ 10,270	
Total of Fixed Liabilities	116,287,007	46.9	143,730,143	47.3	27,443,135	23.6
Total Liabilities	139,573,814	56.3	152,215,241	50.1	12,641,426	9.1
(Unitholders' Equity)						
I. Unitholders' Capital						
1. Unitholders' Capital	105,593,101		148,417,850		42,824,748	
2. Retained Earnings						
unappropriated retained earnings for the period	2,678,231		3,150,950		472,718	
Total Unitholders' Capital	108,271,333	43.6	151,568,800	49.9	43,297,467	40.0
II. Evaluation, Currency Translation and etc.						
1. Deferred Hedge Profit and Loss	110,997		△ 52,422		△ 163,420	
Total of Evaluation, Currency Translation and etc.	110,997	0.1	△ 52,422	△ 0.0	△ 163,420	△ 147.2
Total Unitholders' Equity	108,382,331	43.7	151,516,378	49.9	43,134,046	39.8
Total Liabilities and Unitholders' Equity	247,956,146	100.0	303,731,619	100.0	55,775,473	22.5

Current Liabilities

- End-of-period balance of short-term loans

End of 8 th Fiscal Period	Combined total of 7.4 billion yen from 3 banks
End of 7 th Fiscal Period	Combined total of 22.1 billion yen from 8 banks

- Prepayment of 26.5 billion yen in short-term loans

Fixed Liabilities

- Investment corporation bonds
12 billion yen through raising of capital by issuing 7th, 8th and 9th investment corporation bond (gross amount: 90 billion yen)

- End-of-period balance of long-term loans

End of 8 th Fiscal Period	Combined total of 50.4 billion yen from 18 banks
End of 7 th Fiscal Period	Combined total of 44.5 billion yen from 16 banks

Unitholders' Equity

- Unitholders' Capital
42.8 billion yen through equity finance

Income Statement

(thousand yen)

	7th fiscal period		8th fiscal period		Change	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	(%)
1. Operating Revenue						
Real Estate Rental Business Revenue	6,150,093		7,530,441			
Gain on Sale of Real Estate	761,353	100.0	410,232	100.0	1,029,226	14.9
2. Operating Expenses						
Real Estate Rental Business Expenses	2,604,850		2,879,644			
Asset Management Fees	511,674		630,680			
Asset Custodian Fees	22,975		27,245			
Outsourcing Fees for Administrative Works	62,304		80,937			
Directors' Remuneration	5,400		5,400			
Attorneys' Fees	44,686		8,368			
Audit Fees	14,350		17,972			
Doubtful Debt Account	3,055		1,529			
Bad Debt Loss	1,435		241			
Other Operating Expenses	103,221	48.8	91,452	47.1	369,515	11.0
Operating Profit	3,537,491	51.2	4,197,203	52.9	659,711	18.6
3. Non-Operating Revenue						
Interest Received	6,643		19,125			
Miscellaneous Revenue	115,492	1.8	90,026	1.4	△ 12,983	△ 10.6
4. Non-Operating Expense						
Interest Paid	372,555		399,851			
Loan-related expenses	98,990		100,794			
Corporate Bond Interest	414,699		529,690			
Amortization for Corporate Bond Issue Expenses	57,885		59,773			
Expenditure for Issue of New Investment Units	21,222		44,523			
Write-off of Initial Expenses	6,624		6,624			
Other non-operating expenses	7,882	14.2	6,643	14.5	168,042	17.2
Ordinary Profit	2,679,768	38.8	3,158,453	39.8	478,685	17.9
Net Income Before Tax	2,679,768	38.8	3,158,453	39.8		
Corporate Tax, Local Inhabitant's Tax and Enterprise Tax	8,132		605			
Adjustment of Income Taxes	△ 6,454	0.0	7,036	0.1	5,963	355.5
Net Income	2,678,090	38.8	3,150,811	39.7	472,721	17.7
Profit Brought Forward	141		138		△ 3	
Unappropriated Retained Earnings	2,678,231		3,150,950		472,718	

Operating Revenues

- Rental income
Revenue contributions by 139 properties this fiscal period (reference: 116 properties in 7th fiscal period)
- Gain on sales of investments in real estate (figures in parentheses are net values after deduction of expenses) Sale of
Setagaya Sun Heights (91,983 thousand yen)
Petit Cour Kinuta (41,863 thousand yen)
Root Azabu Jyuban (276,384 thousand yen)

Operating Expenses

- Public charges
The adjusted amounts of real property taxes and city planning taxes for properties acquired on January 1, 2007 or after are included in the acquisition costs (not expensed).
- Asset management Fee
Consists of management fee (1) + (2) alone
Acquisition compensation is included in the acquisition cost while transfer (sale) compensation is deducted from the capital gains

8 th fiscal period	630,680 thousand yen
-------------------------------	----------------------

7 th fiscal period	511,674 thousand yen
-------------------------------	----------------------

Non-Operating Revenues

- Of these, revenues from refunded consumption tax: 84,157,000 yen (consumption tax included in acquisition costs during accounting inclusive of taxes)

Cash Flow Statement

(thousand yen)

Account Titles	7th Fiscal Period	8th Fiscal Period
I. Cash Flow from Operating Activities		
Net Income Before Tax	2,679,768	3,158,453
Depreciation	1,289,061	1,526,773
Bad Debt Loss	1,435	241
Write-Off of Long-term Prepaid Expenses	68,695	69,236
Write-Off of Initial Expenses	6,624	6,624
Write-Off of Corporate Bond Fees	57,885	59,773
Interest Received	△ 6,643	△ 19,125
Interest Paid	787,254	929,542
Increase or Decrease in Allowance for Bad Debt	1,531	△ 3,308
Increase or Decrease in Accounts Receivable	△ 6,649	△ 12,406
Increase or Decrease in Accrued Revenue	5,000	0
Increase or Decrease in Accrued Consumption Tax	△ 58,365	12,529
Increase or Decrease in Accounts Payable	△ 95,078	7,630
Increase or Decrease in Accrued Liabilities	24,258	△ 13,095
Increase or Decrease in Accrued Expenses	54,044	210,327
Increase or Decrease in Receipt in Advance	232,986	△ 203,398
Decrease due to Sale of Tangible Fixed Assets in Trust	3,617,049	3,958,884
Payment of Long-term Prepaid Expenses	△ 201,554	△ 98,115
Others	△ 4,689	65,846
subtotal	8,452,615	9,656,412
Receipt of Interest	6,643	19,125
Payment of Interest	△ 893,412	△ 836,148
Receipt of Insurance Benefit	1,453	4,512
Payment of Corporate Taxes	△ 3,992	△ 10,628
Cash Flow from Operating Activities	7,563,307	8,833,272
II. Cash Flow from Investment Activities		
Payments for deposit of time deposits	△ 1,000,000	-
Receipt for withdrawal of time deposits		1,000,000
Payment for acquisition of Tangible Assets	△ 46,516,796	△ 32,299,724
Payment for acquisition of Tangible Assets in Trust	△ 55,235	△ 29,667,721
Receipt of Security Deposits & Guarantee Money	444,319	188,010
Receipt of Security Deposits & Guarantee Money in Trust	△ 91,658	317,531
Proceeds from long-term deposits	92,114	-
Payments for repayment of long-term deposits	△ 3,174	△ 6,348
Others		△ 10,908
Cash Flow from Investment Activities	△ 47,130,430	△ 60,479,160
III. Cash Flow from Financing Activities		
Money Borrowed: Short-term Borrowings	20,470,000	11,810,000
Repayment: Short-term Borrowings	△ 1,500,000	△ 26,580,000
Money Borrowed: Long-term Borrowings	22,500,000	5,900,000
Repayment: Long-term Borrowings	△ 12,900,000	-
Income by Issue of Investment Units	-	42,780,225
Income by Issue of Corporate Bonds	11,938,748	20,896,601
Payment of Distributions	△ 2,659,506	△ 2,677,202
Others	△ 21,222	-
Cash Flow from Financing Activities	37,828,020	52,129,623

IV. Increase in Cash and Cash Equivalents	△ 1,739,102	483,735
V. Beginning Balance of Cash and Cash Equivalent	12,464,405	10,725,302
VI. Closing Balance of Cash and Cash Equivalents	10,725,302	11,209,037

Distribution Calculation Table

Account Title	7th fiscal period	8th fiscal period
Unappropriated Retained Earnings (thousand yen)	2,678,231	3,150,950
Distributions (thousand yen)	2,678,093	3,150,706
Distribution per Unit (yen)	14,336	12,748
Retained Earnings Carried Forward (thousand yen)	138	243

Reference Indices

Title	unit	7th fiscal period	8th fiscal period
Current Capital Expenditures	Mn yen	180	88
Rental NOI(Net Operating Income) (Note1)	Mn yen	4,834	6,177
FFO per unit (Funds from Operation) (Note2)	yen	17,873	17,814
FFO (Funds from Operation) multiple (Note3)	multiple	22.2	14.6
Debt-Service Coverage Ratio (Note4)	multiple	6	6.0
Current Net Income Before Amortization of Interest	Mn yen	4,754	5,607
Interest-bearing Debt	Mn yen	135,670	147,800
Ratio of Interest-bearing Debt to Gross Asset at the end of fiscal period (Note5)	%	54.7	48.7
Net Asset Value per unit	yen	580,177	613,047

(Note 1) Rental NOI = rental income – rental expenses + depreciation and amortization

(Note 2) FFO per unit = FFO (= net income + depreciation and amortization + other amortization – gain on sales of investments in real estate)/investment units issued as of end of period (recorded with decimal points rounded off)

(Note 3) 7th fiscal period: FFO multiple = end of May 2007 investment unit price (797,000 yen)/FFO per unit after conversion to annual figure
8th fiscal period: FFO multiple = end of November 2007 investment unit price (520,000 yen)/FFO per unit after conversion to annual figure (FFO multiple is rounded to one decimal place)

(Note 4) Debt service coverage ratio = Net income prior to deduction of interest/interest expenses (including interest on investment corporation bonds)

(Note 5) Ratio of interest-bearing debt to total assets at end of period = End-of-period interest-bearing debt/end-of-period total assets x 100 (recorded with figure rounded to one decimal place)

Loans

Classification		Balance at previous period end (thousand yen)	Increase in current period (thousand yen)	Decrease in current period (thousand yen)	Balance as of report date (thousand yen)	Average interest rate (note1)	Repayment date	Purpose	Remarks
Lender									
Short term loan	Mizuho Corporate Bank, Ltd.	—	2,400,000	—	2,400,000	1.13633%	2008/8/29	(note6)	Unsecured Non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	2,000,000	—	2,000,000				
	Shinkin Central Bank	—	1,000,000	—	1,000,000				
	Sumitomo Mitsui Banking Corporation	—	2,000,000	—	2,000,000	0.93500%	2008/11/28	(note7)	
	subtotal	22,170,000 (note4)	11,810,000 (note4)	26,580,000 (note4)	7,400,000				

Classification		Balance at previous period end (thousand yen)	Increase in current period (thousand yen)	Decrease in current period (thousand yen)	Balance as of report date (thousand yen)	Average interest rate (note1)	Repayment date	Purpose	Remarks
Lender									
Long term loan	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,002,000	—	—	3,002,000	1.21794% (note2)	2009/2/28	(note6)	Secured Non-guaranteed
	The Chuo Mitsui Trust and Banking Company, Limited	1,224,500	—	—	1,224,500				
	Mitsubishi UFJ Trust and Banking Corporation	1,027,000	—	—	1,027,000				
	The Sumitomo Trust & Banking Co., Ltd.	1,027,000	—	—	1,027,000				
	Resona Bank, Ltd.	1,027,000	—	—	1,027,000				
	Aozora Bank, Ltd.	592,500	—	—	592,500				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,250,000	—	—	3,250,000	1.15546% (note2)	2009/11/30	(note8)	
	The Chuo Mitsui Trust and Banking Company, Limited	1,550,000	—	—	1,550,000				
	Mitsubishi UFJ Trust and Banking Corporation	1,200,000	—	—	1,200,000				
	The Sumitomo Trust & Banking Co., Ltd.	1,250,000	—	—	1,250,000				
	Resona Bank, Ltd.	1,200,000	—	—	1,200,000				
	Aozora Bank, Ltd.	800,000	—	—	800,000				
	The Norinchukin Bank	1,250,000	—	—	1,250,000				
	The Shizuoka Bank, Ltd.	500,000	—	—	500,000				
	The Chiba Bank Limited	500,000	—	—	500,000				
	The Dai-ichi Mutual Life Insurance Company	1,000,000	—	—	1,000,000				
	Daido Life Insurance Company	1,600,000	—	—	1,600,000	2.19875%	2013/11/17	(note7)	

Loans (continued)

Classification		Balance at previous period end (thousand yen)	Increase in current period (thousand yen)	Decrease in current period (thousand yen)	Balance as of report date (thousand yen)	Average interest rate (note1)	Repayment date	Purpose	Remarks
Lender									
Long term loan	National Mutual Insurance Federation of Agricultural Cooperatives	2,000,000	—	—	2,000,000	1.84500%	2011/12/26	(note7)	Unsecured Non-guaranteed
	Taiyo Life Insurance Company	1,500,000	—	—	1,500,000				
	The Dai-ichi Mutual Life Insurance Company	1,000,000	—	—	1,000,000				
	Mitsui Sumitomo Insurance Co., Ltd.	1,000,000	—	—	1,000,000				
	The Norinchukin Bank	5,000,000	—	—	5,000,000	1.38583% (note3)	2011/12/26	(note7)	Unsecured Non-guaranteed
	The Hachijuni Bank, Ltd.	1,000,000	—	—	1,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000,000	—	—	2,000,000	1.25000% (note5)	2010/2/19	(note7)	Unsecured Non-guaranteed
	The Sumitomo Trust & Banking Co., Ltd.	2,000,000	—	—	2,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	2,000,000	—	—	2,000,000				
	The Chuo Mitsui Trust and Banking Company, Limited	2,000,000	—	—	2,000,000				
	The Chiba Bank Limited	2,000,000	—	—	2,000,000				
	Shinkin Central Bank	1,000,000	—	—	1,000,000				
	Taiyo Life Insurance Company	—	1,000,000	—	1,000,000				
	Daido Life Insurance Company	—	900,000	—	900,000	1.89250%	2013/9/19	(note7)	Unsecured Non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	2,000,000	—	2,000,000	1.44000% (note2)	2010/11/30	(note7)	Unsecured Non-guaranteed
	Development Bank of Japan	—	2,000,000	—	2,000,000	1.74375%	2012/11/30	(note7)	Unsecured Non-guaranteed
	subtotal	44,500,000	5,900,000	—	50,400,000				
Total	66,670,000 (note4)	17,710,000 (note4)	26,580,000 (note4)	57,800,000					

(Note1) The average interest rate is the loan interest rate of each loan agreement (weighted average rate at the end of fiscal period) rounded to five decimal places.

(Note2) The weighted average interest rate that considers the effect of the interest rate swap is listed for borrowings for which interest rate swap transactions were conducted with the objective of avoiding interest rate fluctuation risks.

(Note3) We purchased an interest rate cap to set the upper limit of applicable interest rate (3-month JPY TIBOR) to 1.38%.

(Note5) We purchased an interest rate cap to set the upper limit of applicable interest rate (3-month JPY TIBOR) to 1.07%.

(Note4) Short-term loan shows only lenders with balance at the end of 8th fiscal period. 22,170,000 thousand yen in short-term loans borrowed prior to the end of the previous fiscal period, and 4,410,000 thousand yen borrowed during 8th fiscal period have been repaid by the end of 8th fiscal period.

(Note6) The purpose of loan is to purchase real estate in trust.

(Note7) The purpose of loan is to purchase real estate.

(Note8) The purpose of loan is to purchase real estate and real estate in trust, and to repay short-term loans.

(Note9) We purchased an interest rate cap to set the upper limit of applicable interest rate (3-month JPY TIBOR) to 1.07%.

(Note10) The following represents the scheduled repayment amounts for each year over the next 5 years calculated from the end of this fiscal period for long-term loans (excluding the amount to be repaid within one year)

	within 2 years	within 3 years	within 4 years	within 5 years
Long-term loan	19,400,000 thousand yen	13,000,000 thousand yen	1,000,000 thousand yen	14,500,000 thousand yen

Section IV

Reference Materials

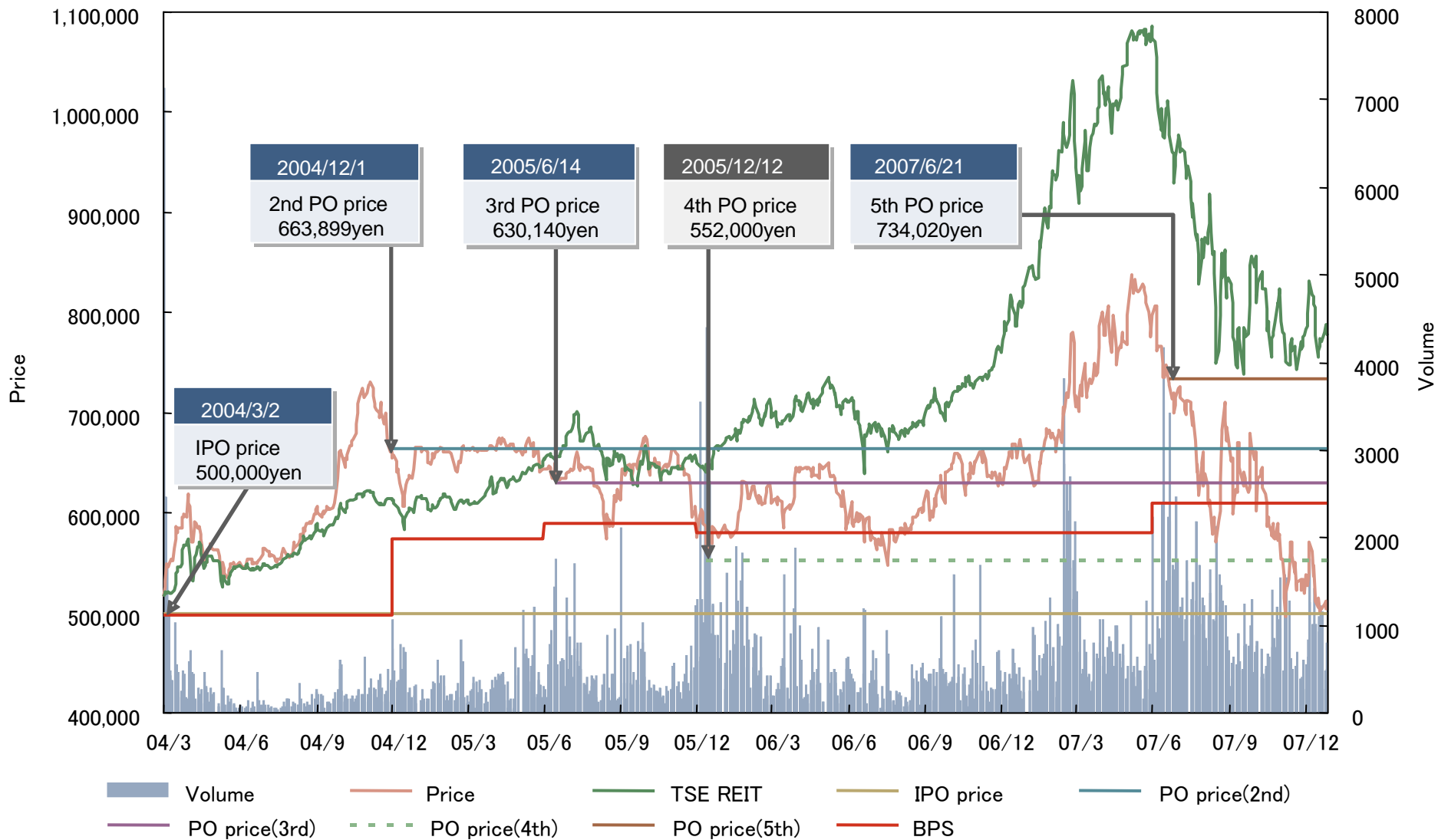


**NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION**



**PACIFIC
INVESTMENT
ADVISORS
CORPORATION**

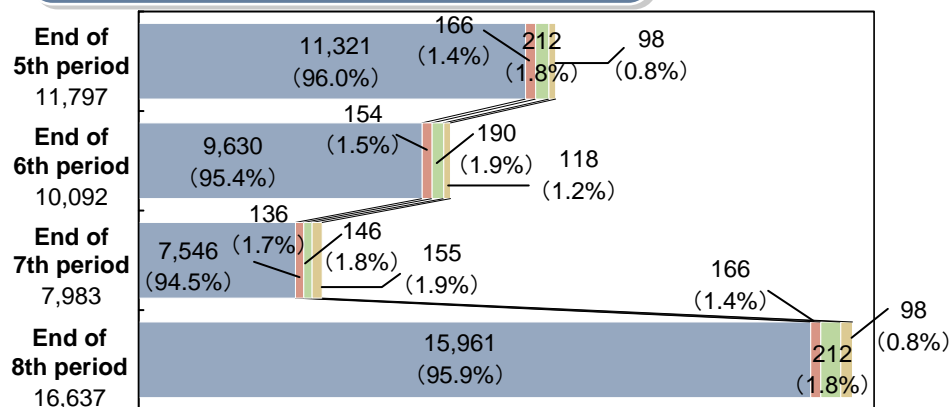
Trend of Stock Price



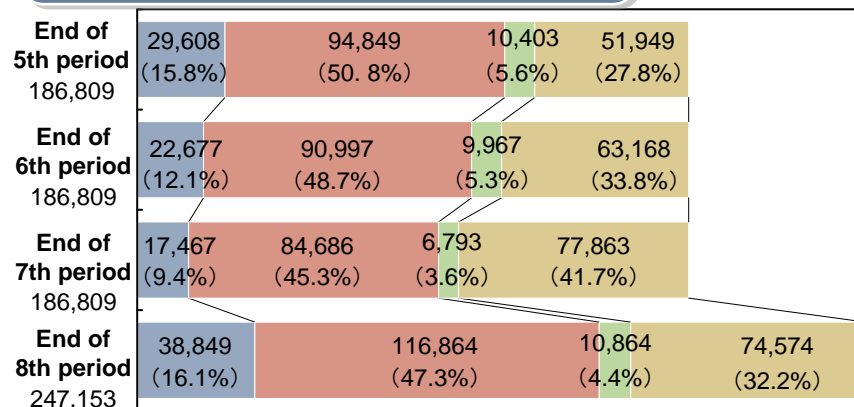
Investment Units

Possession of Investment Units

Number of Investors



Number of Units held by Investor Type



■ Individual and others ■ Financial Institutions (incl. securities companies) ■ Other domestic companies ■ Foreign Investors

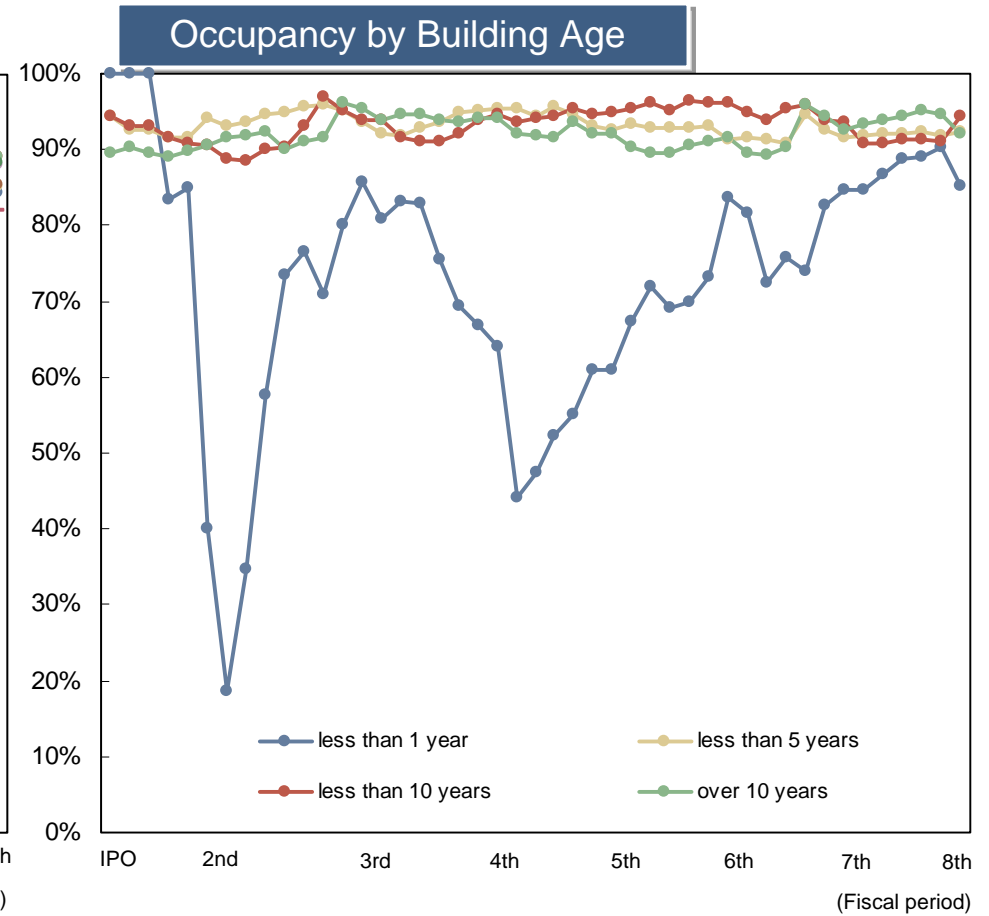
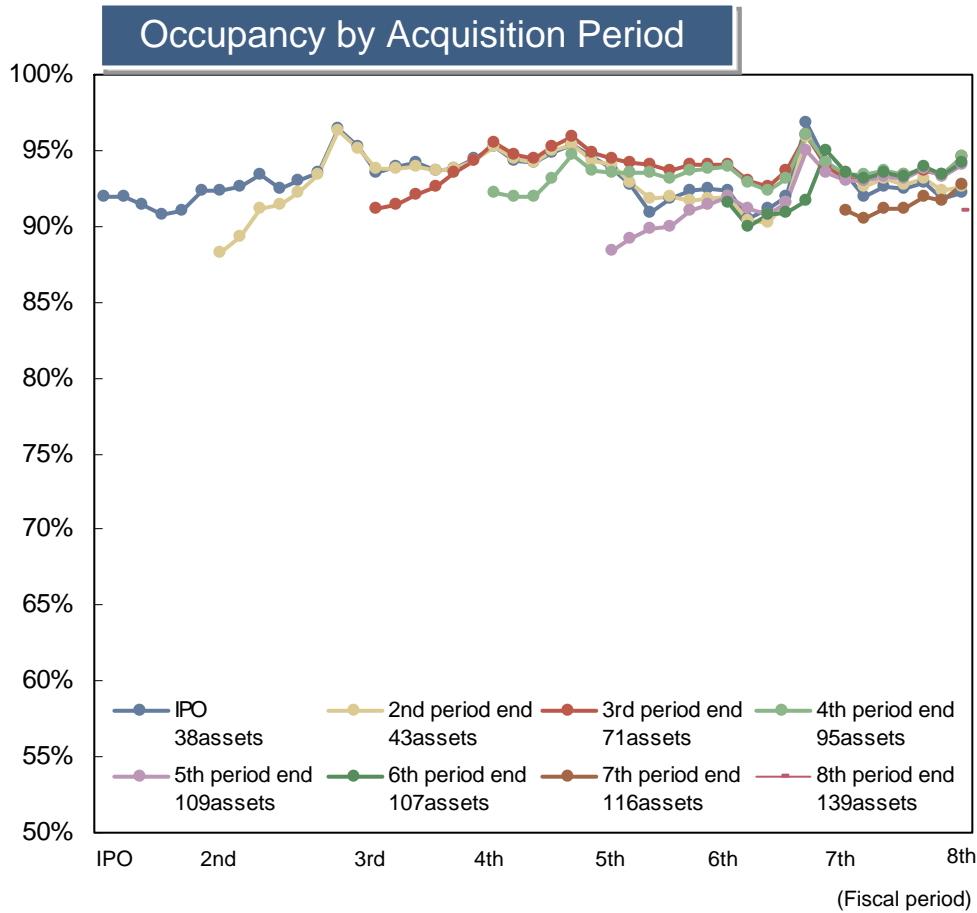
Major Investors (As of Nov. 30, 2007)

Rank	Name	Number of Units	Share
1	NikkoCiti Trust and Banking Corporation (Trust)	17,769	7.2%
2	Japan Trustee Services Bank, Ltd. (Trust)	15,700	6.4%
3	The Master Trust Bank of Japan, Ltd. (Trust)	11,305	4.6%
4	Trust & Custody Services Bank, Ltd. (Securities Investment Trust)	8,792	3.6%
5	CBLDN Standard Life Assurance Limited	8,164	3.3%
6	The Nomura Trust & Banking Co.,Ltd	7,409	3.0%
7	North Pacific Bank	5,842	2.4%
8	National Mutual Insurance Federation of Agricultural Cooperatives	4,241	1.7%
9	The Bank of New York, Treaty Jasdec Account	4,008	1.6%
10	AIG Star Life Insurance Co., Ltd.	3,697	1.5%
Total		86,927	35.2%

(Reference) Major Investors (As of May. 31, 2007)

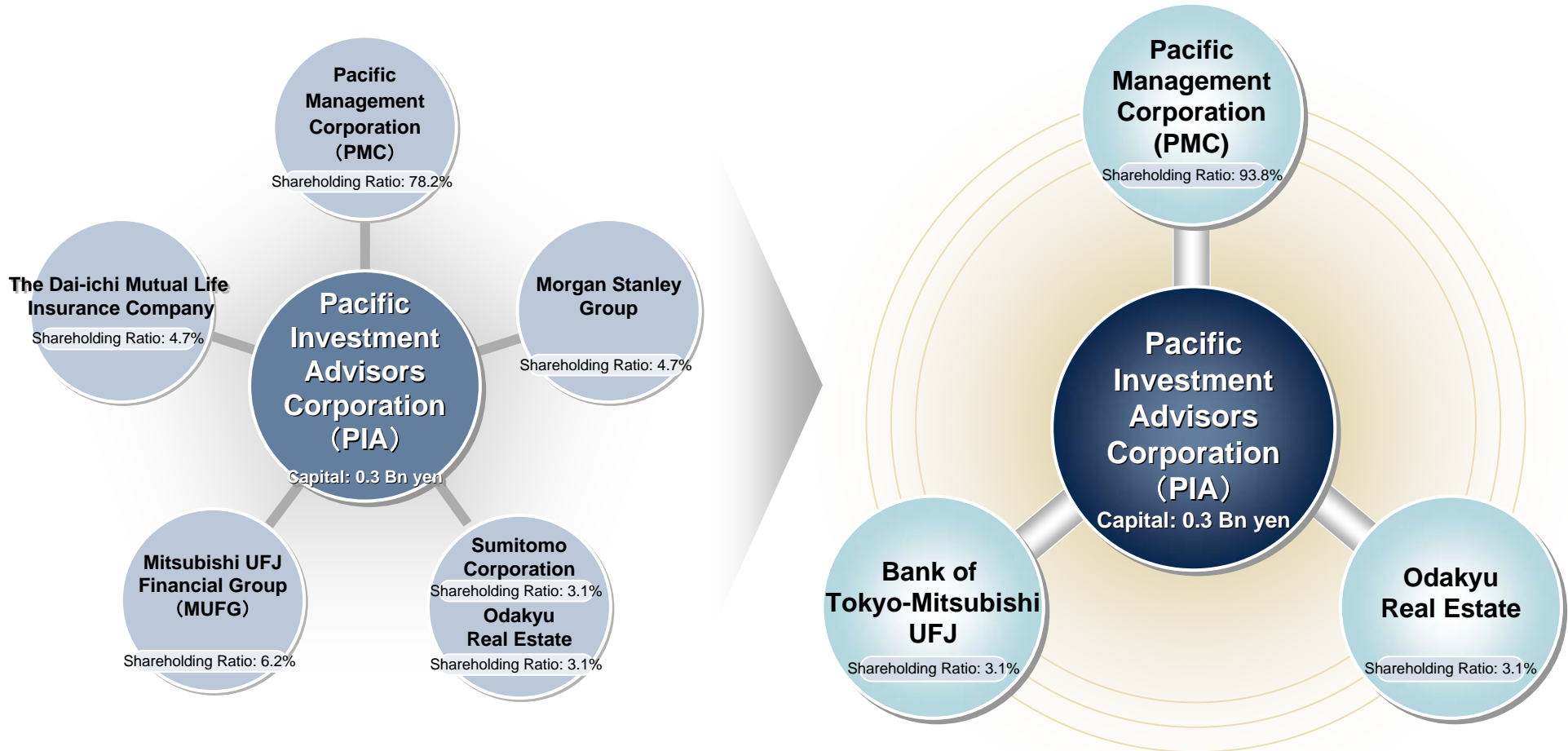
Rank	Name	Number of Units	Share
1	Japan Trustee Services Bank, Ltd. (Trust)	15,740	8.4%
2	NikkoCiti Trust and Banking Corporation (Trust)	11,640	6.2%
3	The Bank of New York, Treaty Jasdec Account	7,939	4.2%
4	CBLDN Standard Life Assurance Limited	6,811	3.6%
5	The Master Trust Bank of Japan, Ltd. (Trust)	5,634	3.0%
6	Trust & Custody Services Bank, Ltd. (Securities Investment Trust)	4,761	2.5%
7	National Mutual Insurance Federation of Agricultural Cooperatives	4,001	2.1%
8	North Pacific Bank	3,894	2.1%
9	Mellon Bank Treaty Clients Omnibus	3,811	2.0%
10	Bank of Ikeda	3,519	1.9%
Total		67,750	36.8%

Occupancy History

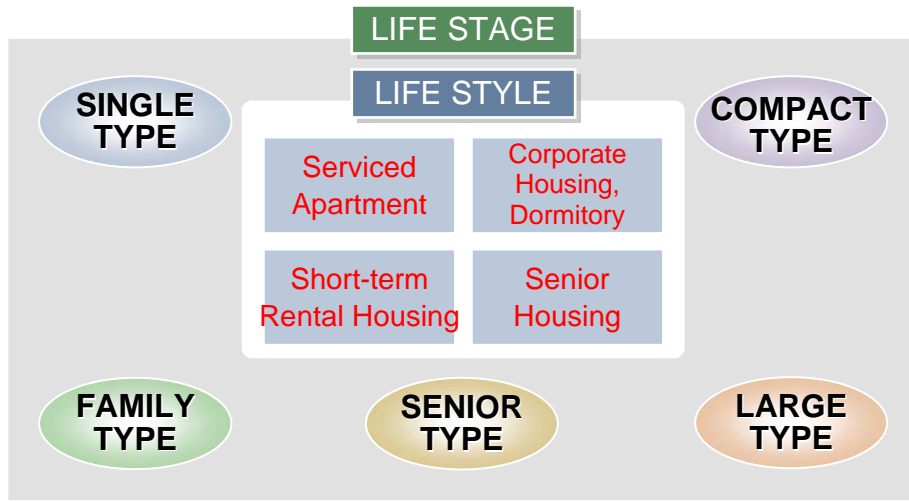


Changes in shareholders of Asset Management Company (effective as of Nov. 21, 2007)

Sponsored mainly by Pacific Management Corporation



Promotion of Portfolio Strategy “Total Life Support”



TYPE	LARGE						
						SENIOR	
				FAMILY			
		COMPACT				COMPACT	
	SINGLE						
LIFE STAGE	Early Single	Mid Single	Double Income	Family	Empty Nesters	Senior	
Age Group	Early 20s	Late 20s	Late 20s -30s	30s-50s	Around 60	Mid 60s	
Events	Student life and being employed	Career switches and job relocation	Marriage and start of family life	Childbirth, education, and working for children	Retirement and independence of children	Pension and post-retirement life time	

1. Serviced apartments

[Management case]

PT Roppongi, PR Takanawa, etc.

[Required conditions]

Properties located downtown in an area neighboring a major office area, excellent building quality and located near a station

2. Short-term rental condominiums

[Management case]

PL Nagatacho, PL Wasedanishi, PR Kandaiwamotocho, etc.

[Required conditions]

Properties located downtown or near downtown and located near a station. NRIC is allied with a very reliable monthly condominium firm.

3. Corporate housing and dormitories

[Management case]

PR Sannomiyahigashi, PL Yokohama Kannai etc.

[Required conditions]

Properties located in an area near downtown on a commuter line with good convenience to major office areas, or a property near a terminal station in an ordinance designated city

4. Senior housing

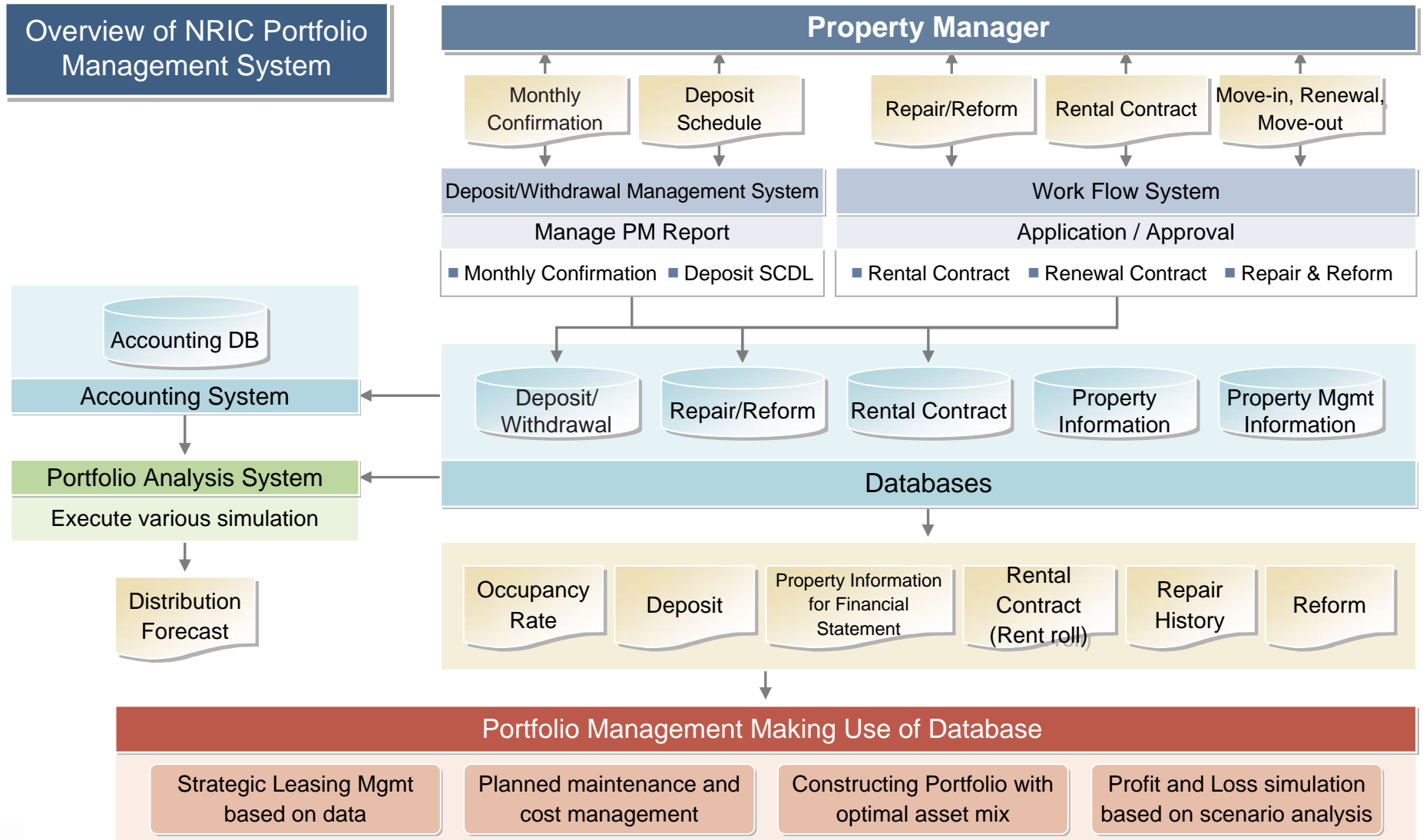
[Management case]

Life & Senior House Kohoku II

[Required conditions]

Properties with specifications that are friendly to the elderly. They have a good neighboring environment and are located in the Tokyo metropolitan area or a core regional city. It has a community facility adjoining it and NRIC is allied with an operator that boasts a strong business plan and good reliability.


Internal Growth Strategy: Utilizing the Portfolio Network




New Acquisitions

acquired during 8th fiscal period


S-59 Pacific Residence Musashikosugi

	Acquisition Value	1,767 Mn yen
	NOI CAP	5.0%
	Seller	ORIX Real Estate Corporation /Fujimitsu Construction Co., Ltd.
	Location	Kawasaki City, Kanagawa Pref.
	Rentable Unit Construction Completion	68 February, 2007


S-60 Pacific Residence Kanda-Ogawamachi

	Acquisition Value	1,370 Mn yen
	NOI CAP	4.7%
	Seller	Pacific Growth Realty Y.K.
	Location	Chiyoda-ku, Tokyo
	Rentable Unit Construction Completion	52 March, 2006

S-61 Pacific Residence Sodai-dori

	Acquisition Value	1,090 Mn yen
	NOI CAP	4.7%
	Seller	Pacific Growth Realty Y.K.
	Location	Shinjuku-ku, Tokyo
	Rentable Unit Construction Completion	52 August, 2006


S-62 Pacific Livew Kyoto-ekimae

	Acquisition Value	2,200 Mn yen
	NOI CAP	5.5%
	Seller	Sanno Residential Properties LLC
	Location	Kyoto City, Kyoto Pref.
	Rentable Unit Construction Completion	116 February, 2006


S-63 Pacific Residence Tsukishima II

	Acquisition Value	2,650 Mn yen
	NOI CAP	5.0%
	Seller	Tameike Residential Properties LLC
	Location	Chuo-ku, Tokyo
	Rentable Unit Construction Completion	105 September, 2006


S-64 Pacific Residence Funabashi I and II

	Acquisition Value	3,300 Mn yen
	NOI CAP	5.2%
	Seller	J. Metropolis 1 LLC
	Location	Funabashi city, Chiba Pref.
	Rentable Unit Construction Completion	172 March, 2007


S-65 Pacific Residence Oimachi I

	Acquisition Value	1,267 Mn yen
	NOI CAP	4.6%
	Seller	Meiwa Estate Co., Ltd.
	Location	Shinagawa-ku, Tokyo
	Rentable Unit Construction Completion	40 July, 2007

S-66 Pacific Residence Takaoka

	Acquisition Value	3,000 Mn yen
	NOI CAP	5.2%
	Seller	yu Land Corporation
	Location	Nagoya coty, Aichi Pref.
	Rentable Unit Construction Completion	197 August, 2007

S-67 Pacific Residence Okayama

	Acquisition Value	1,301 Mn yen
	NOI CAP	5.0%
	Seller	Olympia K.K.
	Location	Meguro-ku, Tokyo.
	Rentable Unit Construction Completion	53 November, 2007

New Acquisitions

acquired during 8th fiscal period

C-37 Pacific Residence Minami-Ichijo



Acquisition Value	1,910 Mn yen
NOI CAP	6.0%
Seller	Daiwa House Industry Co.,Ltd.
Location	Sapporo City, Hokkaido Pref.
Rentable Unit	179
Construction Completion	December, 2006

C-40 Cosmos Gracia Shibuya



Acquisition Value	1,633 Mn yen
NOI CAP	4.7%
Seller	KRF11 Y.K.
Location	Shibuya-ku, Tokyo
Rentable Unit	40
Construction Completion	June, 2006

C-41 Pacific Lived Nakanobu



Acquisition Value	2,040 Mn yen
NOI CAP	5.0%
Seller	Sanno Residential Properties LLC
Location	Shinagawa-ku, Tokyo
Rentable Unit	65
Construction Completion	November, 2005

C-42 Pacific Residence Azabudai



Acquisition Value	2,040 Mn yen
NOI CAP	4.7%
Seller	Sanno Residential Properties LLC
Location	Minato-ku, Tokyo
Rentable Unit	47
Construction Completion	February, 2006

C-43 Pacific Residence Shibadaimon



Acquisition Value	1,980 Mn yen
NOI CAP	4.8%
Seller	Tameike Residential Properties LLC
Location	Minato-ku, Tokyo
Rentable Unit	48
Construction Completion	August, 2006

C-44 Grana Nihonbashi



Acquisition Value	1,550 Mn yen
NOI CAP	5.0%
Seller	Uranos Investment Y.K.
Location	Chuo-ku, Tokyo
Rentable Unit	45
Construction Completion	August, 2006

C-45 Nostel Court Kanda



Acquisition Value	1,320 Mn yen
NOI CAP	4.8%
Seller	Doga Y.K.
Location	Chiyoda-ku, Tokyo
Rentable Unit	43
Construction Completion	June, 2006

C-46 Cosmos Gracia Shin-Okachimachi



Acquisition Value	2,162 Mn yen
NOI CAP	5.0%
Seller	COSMOS INITIA Co., Ltd.
Location	Taito-ku, Tokyo
Rentable Unit	69
Construction Completion	March, 2007

C-47 Pacific Residence Sangen-jaya II



Acquisition Value	1,750 Mn yen
NOI CAP	4.7%
Seller	GE Real Estate Corporation
Location	Setagaya-ku, Tokyo
Rentable Unit	34
Construction Completion	March, 2006

New Acquisitions

acquired during 8th fiscal period

C-48 Pacific Residence Chidoricho



Acquisition Value	1,500 Mn yen
NOI CAP	5.1%
Seller	Meiwa Estate Co., Ltd.
Location	Ota-ku, Tokyo
Rentable Unit	60
Construction Completion	September, 2006

C-50 Pacific Residence Nishi-Shinjuku



Acquisition Value	2,020 Mn yen
NOI CAP	4.8%
Seller	Pacific Properties Investment Y.K.
Location	Shinjuku-ku, Tokyo
Rentable Unit	74
Construction Completion	May, 2007

C-51 Pacific Residence Hiroo-Minami



Acquisition Value	1,180 Mn yen
NOI CAP	4.6%
Seller	Pacific Properties Investment Y.K.
Location	Shibuya-ku, Tokyo
Rentable Unit	26
Construction Completion	September, 2007

F-22 Pacific Residence Yutenji



Acquisition Value	5,940 Mn yen
NOI CAP	4.7%
Seller	Tameike Residential Properties LLC
Location	Meguro-ku, Tokyo
Rentable Unit	118
Construction Completion	August, 2006

F-23 Pacific Residence Higashiyama-Motomachi



Acquisition Value	991 Mn yen
NOI CAP	4.5%
Seller	Kowa Real Estate Co., Ltd./Mitsui Fudosan Residential Co., Ltd.
Location	Nagoya city, Aichi Pref.
Rentable Unit	23
Construction Completion	September, 2007

F-24 Pacific Residence Odori-Koen



Acquisition Value	2,680 Mn yen
NOI CAP	5.5%
Seller	Pacific Properties Investment Y.K.
Location	Sapporo city, Hokkaido Pref.
Rentable Unit	109
Construction Completion	August, 2007

L-15 Pacific Residence Daikanyama-Sarugakucho /Daikanyama Parkside Village













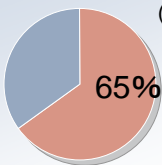
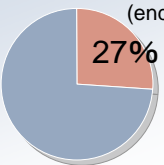
Acquisition Value	8,140 Mn yen
NOI CAP	4.6%
Seller	Sanno Residential Properties LLC
Location	Shibuya-ku, Tokyo
Rentable Unit	77
Construction Completion	May, 2006 /Nov, 1982

L-16 Luxeair Kita-Shinjuku



Acquisition Value	1,900 Mn yen
NOI CAP	4.9%
Seller	Pacific Growth Realty Y.K.
Location	Shinjuku-ku, Tokyo
Rentable Unit	26
Construction Completion	February, 1997

Property Acquisitions from Sponsor and Others

Acquisition Channel	IPO (March 2004)	2nd-7th Fiscal Periods (May 2007)	8th Fiscal Period (as of end of Nov 2007)	Total
Acquisition from Sponsor (Note 1)	 Manoa Okamoto  Bellwood  PR Shinkawa  PR Sakuragaoka	 PR Daikanyama  PR Kichijoji  PR Ichigaya  PR Kamimeguro	 PR Sodai-dori  PR Azabudai  PR Daikanyama-Sarugakucho/ Daikanyama Parkside Village	46 properties
	 Manoa Saginuma  Veil Kohinata  Motoazabu Place	 PR Tsukiji  PT Meguro-Fudomae  PT Roppongi	 PR Musashikosugi  PR Minami-ichijo  PR Takaoka  PR Ookayama	
Share of Overall Portfolio Acquired from Sponsor	 (end of March 2004) 65%	 (end of May 2007) 19%	 (end of Nov. 2007) 27%	

(Note 1) This includes acquisitions from the sponsor and funds that the sponsor handles asset management of.

(Note 2) PR stands for Pacific Residence and PT for Pacific Tower.

(Note 3) The table shows representative examples of properties.

Brand Strategy: Planning

PLANNING

Pacific Quality of Pacific Residence

Planning

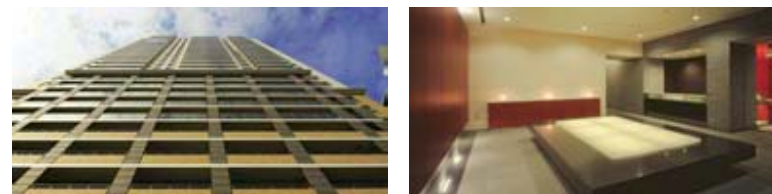
Location

The Pacific Residence Series is primarily pursued in areas where demand for rental housing can be expected in the medium-to-long-term based on consideration of the transportation access (convenience) to offices and retail destinations, surrounding environment, appeal of the town area (status, etc.) and future projections including planned development in the surrounding area.



Design

Improved product value and tenant satisfaction is sought by giving consideration to the design of the exterior, entrance lobby, common hallways, residential approaches, etc. The basic focus is to select a universal design that maintains appeal over the long term and considers functionality, ease of use, finished material quality, etc.



Pacific Tower Meguro-Fudomae

Pacific Tower Meguro-Fudomae

Facilities and Specs

The Pacific Residence Series employs facilities and specs that fit with the concept of each property by considering their functionality, comfort, maintainability and such as a means to further enhance the residence.

- Multimedia outlets
- Hands free intercoms
- Floor guide lights
- Artificial marble kitchen counters
- Electronic cooking stoves
- Single lever faucets
- Automatic bath water heaters
- Sliding shower bars
- Bathroom heater/dryer
- Shower toilets
- Non-contact IC key system
- Glass-top stoves
- Wide plate switches
- Walk-in closets
- Shoe closets



Brand Strategy: Basic Performance

BASIC PERFORMANCE

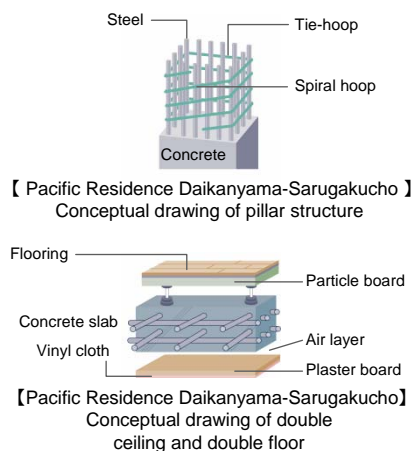
Safe and secure residence

Basic performance

Quality Standards for Security and Safety

The Pacific Residence Series has established quality standards for the series regarding the basic structure, sound proofing, heat blocking, water proof level, security and safety functions, facilities, common facilities, etc. Professional staff inspect and confirm drawings and the construction site of development projects in line with these standards and thus promote the standardizing of quality. Completed properties in which the PMC Group was not involved with their building are only managed as the Pacific Residence series after confirming that their quality satisfies the standards. As a result, NRIC is able to secure the provision of residences that continually provide residents with a safe and comfortable life.

Basic structure



Anti-seismic and Safety Measures

NRIC promotes the installation of facilities to protect not only against earthquakes, fires and other disasters but also to protect residents from unforeseen accidents in their daily lives.

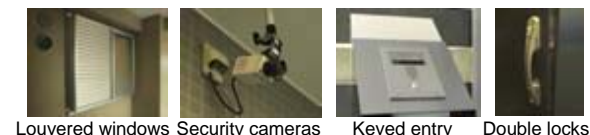
- Earthquake detection system elevator
- Fire alarm
- Screen with safety stopper
- Elevator door with safety sensor
- Locking storage with earthquake detectors
- Anti-seismic function doors
- Outlets with ground
- Door stopper with hook
- Bath faucet with thermostat
- Gas microcomputer meter
- Stove burners with child lock
- Sprinkler facilities



Security System

The Pacific Residence series has established detailed guidelines for the security system and installed basic theft prevention facilities

- Louvered windows
- Security cameras
- Keyed entry
- Double locks
- Automatic shutter gates
- Anti-theft window sensors



(Note) NRIC also owns properties that are not a part of the Pacific Residence Series. Also, the items entered in this brand strategy indicate a quality standard the Pacific Residence series aspires to and not all of the properties meet these standards.

Brand Strategy: Service & Support

SERVICE & SUPPORT

For easy and comfortable living

Services provided to residents

Pacific Residence Moving Style

NRIC has a service in which key money and brokerage fees are unnecessary when the tenant of one of our properties and his or her family moves to another property owned by NRIC.

Concierge

Our front desk concierge provides support for a lot of scenes of daily lives for our tenants including arranging for dry cleaning, taxis, etc.
(Property providing this service: Pacific Tower Roppongi, etc.)

Various Common Facilities

Clean stations on each floor that allow for garbage to be disposed of 24 hours a day, common inner hallways, pet facilities (elevators and feet washing sinks), outside terraces, lobbies, sky lounges, fitness gyms, parcel lockers and such are installed.



Running an Internet Site

NRIC runs a dedicated website for Pacific Residence (www.pacific-rent.com) in which property information and real time vacancy information can be viewed.



Service Program for Residents

We have prepared pet sitter services, home appliance rental services, house cleaning services, unneeded item collection services, parcel collection and delivery services and other programs.
(Property providing this service: Pacific Residence Higashiazabu, etc.)

Pacific Residence Card

Use of the Pacific Residence Card enables the resident to automatically make monthly rent payments from the bank account designated for the card. Payment of monthly rent in this fashion also accumulates credit card points. Depending on the credit of the credit card company, a guarantor may not be necessary at the time of contracting for the residence.
(Property providing this service: Pacific Residence Ebisu-Minami, etc.)

Properties Roster(1/2)

139 Properties owned at the end of 8th fiscal period

	Asset Type	Area	Property Name	Acquisition Price (Mn yen)	Rentable Units		Asset Type	Area	Property Name	Acquisition Price (Mn yen)	Rentable Units
S-1	Core1	Tokyo 23 Wards	Pacific Livew Shinkawa	2,050	83	S-48	Sub-core	Tokyo Central 5 Wards	ZESTY Nishishinjuku	436	19
S-2	Core1	Tokyo Central 5 Wards	Pacific Livew Shiba Daimon	1,900	63	S-49	Sub-core	Tokyo 23 Wards	ZESTY Kyodo	344	15
S-3	Sub-core	Tokyo Central 5 Wards	Glenpark Sangubashi	1,040	27	S-50	Core1	Major Regional Cities	Pacific Livew Utsubokoen	1,200	94
S-5	Sub-core	Tokyo Central 5 Wards	Leopalace Udagaw acho Mansion	569	30	S-51	Core1	Tokyo 23 Wards	Pacific Residence Tsukishima I	1,176	40
S-7	Sub-core	Tokyo 23 Wards	Escort Kami-Ikebukuro	644	44	S-52	Core2	Tokyo 23 Wards	CYNTHIA Oimachi	1,100	48
S-8	Core1	Tokyo 23 Wards	Pacific Residence Shin-Nakano	448	24	S-53	Core1	Tokyo Central 5 Wards	Pacific Residence Ebisu	3,500	61
S-9	Sub-core	Tokyo Metropolitan Area	Dormitory Haramachida	490	73	S-54	Core1	Tokyo Central 5 Wards	Pacific Residence Kamiochiai	1,332	70
S-13	Sub-core	Major Regional Cities	Yoshizuka AG Building No.6 and No.7	428	86	S-55	Core1	Tokyo 23 Wards	Pacific Residence Higashishinagawa	2,317	122
S-14	Core1	Tokyo 23 Wards	Pacific Livew Shirokanedai	1,250	32	S-56	Core2	Tokyo Central 5 Wards	LUKE	1,530	34
S-15	Core2	Major Regional Cities	Grand Blue Hakata	1,582	155	S-57	Core1	Tokyo Central 5 Wards	Pacific Residence Toranomon	1,484	63
S-16	Sub-core	Tokyo 23 Wards	J Stage Honancho	952	91	S-58	Core1	Tokyo 23 Wards	Pacific Residence Kamata I	1,579	78
S-17	Core2	Tokyo 23 Wards	Park Habio Kyobashi	2,725	63	S-59	Core1	Tokyo Metropolitan Area	Pacific Residence Musashikosugi	1,767	68
S-18	Core1	Major Regional Cities	Pacific Livew Tenjinbashi	970	78	S-60	Core1	Tokyo Central 5 Wards	Pacific Residence Kanda-Ogawamachi	1,370	52
S-19	Core1	Tokyo 23 Wards	Pacific Residence Yushimasanchome	1,020	63	S-61	Core1	Tokyo Central 5 Wards	Pacific Residence Sodai-dori	1,090	52
S-20	Core1	Tokyo Central 5 Wards	Pacific Residence Shinjuku East	1,397	54	S-62	Core1	Major Regional Cities	Pacific Livew Kyotoekimae	2,200	116
S-21	Core1	Tokyo Central 5 Wards	Pacific Livew Shinjuku Higashi	854	48	S-63	Core1	Tokyo 23 Wards	Pacific Residence Tsukishima II	2,650	105
S-22	Core1	Tokyo Central 5 Wards	Pacific Residence Kandaiwamotocho	1,657	65	S-64	Core1	Tokyo Metropolitan Area	Pacific Residence Funabashi I・II	3,300	172
S-23	Core2	Major Regional Cities	Umeda Excelheights	5,250	414	S-65	Core1	Tokyo 23 Wards	Pacific Residence Oimachi I	1,267	40
S-24	Core1	Tokyo 23 Wards	Pacific Residence Tsukiji	1,320	54	S-66	Core1	Major Regional Cities	Pacific Residence Takaoka	3,000	197
S-25	Core1	Tokyo 23 Wards	Pacific Residence Sasaduka	1,950	96	S-67	Core1	Tokyo Central 5 Wards	Pacific Residence Ookayama	1,301	53
S-26	Core1	Tokyo Central 5 Wards	Pacific Residence Minamiazabu	1,060	37	C-1	Core1	Tokyo 23 Wards	Pacific ResidenceBunkyootow a	3,590	104
S-27	Core1	Tokyo Central 5 Wards	Pacific Residence EbisuHigashi	660	26	C-2	Core1	Tokyo 23 Wards	Pacific Residence Sengoku	760	33
S-28	Core1	Tokyo 23 Wards	Pacific Residence Meguronishi	800	20	C-3	Core1	Tokyo Central 5 Wards	Pacific Livew Jiyugaoka	1,080	28
S-29	Core1	Tokyo Central 5 Wards	Pacific ResidenceHiroo 3chome	850	29	C-4	Core1	Tokyo 23 Wards	Pacific Residence Yushima	1,110	39
S-30	Core1	Tokyo Central 5 Wards	Pacific Residence Akasaka II	1,567	37	C-6	Sub-core	Tokyo 23 Wards	ZESTY Ikegami Building A and B	381	19
S-31	Core1	Tokyo 23 Wards	Pacific Livew Kyobashi	1,401	52	C-8	Core1	Tokyo Metropolitan Area	Pacific Livew Hachioji	700	40
S-32	Core1	Major Regional Cities	Pacific Residence Sannomiyahigashi	2,247	161	C-9	Sub-core	Major Regional Cities	Grand Heights Hibino	1,230	124
S-33	Core1	Tokyo 23 Wards	Pacific Livew Tamagawa	1,514	98	C-10	Core1	Major Regional Cities	Pacific Residence Koyochi	454	40
S-34	Sub-core	Tokyo 23 Wards	Maison Korakuen	710	31	C-11	Core1	Tokyo Central 5 Wards	Pacific Livew Nagatacho	1,000	23
S-35	Core1	Tokyo 23 Wards	Pacific Livew Ginzahigashi	2,348	94	C-12	Core1	Tokyo Central 5 Wards	Pacific Residence Suidobashi	2,330	65
S-36	Sub-core	Tokyo 23 Wards	Relation Oji	1,027	61	C-13	Core1	Tokyo Central 5 Wards	Pacific Tower Nogizaka	3,900	68
S-37	Sub-core	Tokyo Metropolitan Area	No.6 Zelkova Mansion	609	33	C-14	Core1	Tokyo Central 5 Wards	Pacific Residence Akasaka I	1,300	37
S-38	Core1	Tokyo 23 Wards	Pacific Livew Wasedanishi	1,100	63	C-15	Core2	Tokyo Central 5 Wards	Apartments Nishi-Azabu	7,920	125
S-39	Sub-core	Major Regional Cities	KC21Building	1,167	79	C-16	Core1	Major Regional Cities	Pacific Residence Tenjinminami	1,200	56
S-40	Core1	Tokyo Central 5 Wards	Pacific Livew Hiroo	1,741	76	C-17	Core1	Major Regional Cities	Pacific Livew Hakataeki-Minami	420	39
S-41	Sub-core	Tokyo Metropolitan Area	Cosmo Nishi-Funabashi II	799	70	C-18	Core1	Tokyo 23 Wards	Pacific Residence Ningyocho	572	25
S-42	Core1	Tokyo Metropolitan Area	Pacific Livew Yokohama Kannai	1,950	102	C-19	Core1	Tokyo Central 5 Wards	Pacific Residence Daikanyama	2,180	42
S-43	Sub-core	Tokyo 23 Wards	K2	393	25	C-20	Core1	Tokyo Central 5 Wards	Pacific Residence Ichigaya	2,580	85
S-44	Sub-core	Tokyo Metropolitan Area	Flats Okurayama	895	64	C-21	Core1	Tokyo Metropolitan Area	Pacific Residence Kichioji	1,445	48
S-45	Core2	Tokyo Central 5 Wards	Planeta Shiodome	2,782	67	C-22	Core1	Tokyo 23 Wards	Pacific Residence BunkyoSengoku	1,557	45
S-46	Sub-core	Tokyo 23 Wards	ZESTY Komazaw adaigaku	393	18	C-23	Core1	Tokyo Central 5 Wards	Pacific Residence Akasaka Hinokicho	4,710	87
S-47	Sub-core	Tokyo Central 5 Wards	ZESTY Yoyogi	377	16	C-24	Core1	Tokyo Central 5 Wards	Pacific Residence Takanawa	1,550	31

Properties Roster(2/2)

139 Properties owned at the end of 8th fiscal period

	Asset Type	Area	Property Name	Acquisition Price (Mn yen)	Rentable Units		Asset Type	Area	Property Name	Acquisition Price (Mn yen)	Rentable Units
C-25	Core1	Tokyo 23 Wards	Pacific Tower Meguro-fudomae	14,507	358	F-22	Core1	Tokyo Central 5 Wards	Pacific Residence Yutenji	5,940	118
C-26	Core1	Tokyo 23 Wards	Pacific Residence Sangen-jaya I	3,311	78	F-23	Core1	Major Regional Cities	Pacific Residence Higashiyama-Motomachi	991	23
C-27	Core1	Tokyo 23 Wards	Pacific Livew Chojamaru	3,338	71	F-24	Core1	Major Regional Cities	Pacific Residence Odori-Koen	2,680	109
C-28	Sub-core	Tokyo Central 5 Wards	L'air Minami Aoyama	1,030	13	L-7	Core2	Tokyo Central 5 Wards	Motoazabu Place	10,270	41
C-29	Core2	Major Regional Cities	Mare	963	38	L-8	Core1	Tokyo Central 5 Wards	Pacific Tower Roppongi	8,456	83
C-30	Core1	Tokyo Central 5 Wards	Pacific Livew Kandahigashi	1,880	64	L-9	Core1	Tokyo Central 5 Wards	Pacific Residence Kamimeguro	1,000	16
C-31	Sub-core	Major Regional Cities	Melody Heim Shin-Osaka	956	70	L-10	Core1	Tokyo Central 5 Wards	Pacific Residence Yoyogikoen	1,310	6
C-32	Sub-core	Major Regional Cities	Melody Heim Matsubara	643	53	L-11	Core2	Tokyo Central 5 Wards	Windsor House Hiroo	2,000	12
C-33	Core1	Tokyo 23 Wards	Pacific Livew Iriya	1,190	49	L-12	Sub-core	Tokyo Central 5 Wards	SOHO Kita Aoyama	1,160	10
C-34	Core1	Tokyo Central 5 Wards	Pacific Residence Higashiazabu	1,570	31	L-13	Core1	Tokyo 23 Wards	Pacific Residence Ohi	1,120	22
C-35	Core1	Tokyo Central 5 Wards	Pacific Residence Ebisu-minami	2,436	39	L-15	Core1	Tokyo Central 5 Wards	Pacific Residence Daikanyama-	8,140	77
C-36	Core1	Tokyo Central 5 Wards	Pacific Tower Azabu Jyuban	9,060	113	L-16	Sub-core	Tokyo Central 5 Wards	Luxeair Kita-Shinjuku	1,900	26
C-37	Core1	Major Regional Cities	Pacific Residence Minami-ichijo	1,910	179	SE-1	Core2	Tokyo Metropolitan Area	Life & Senior House Kohoku II	1,950	78
C-38	Core1	Major Regional Cities	Pacific Residence Odori-Nishi	1,790	103			Total		280,262	9,160
C-39	Core1	Major Regional Cities	Pacific Residence Kita-sanjo	1,261	100	Properties (to be) acquired during 9th period and onwards					
C-40	Core2	Tokyo Central 5 Wards	Cosmos Gracia Shibuya	1,633	40		Asset Type	Area	Property Name	Acquisition Price (Mn yen)	Rentable Units
C-41	Core1	Tokyo 23 Wards	Pacific Livew Nakanobu	2,040	65	C-49	Core1	Tokyo Metropolitan Area	Pacific Royal Court Minato Mirai	26,936	833
C-42	Core1	Tokyo Central 5 Wards	Pacific Residence Azabudai	2,040	47			Total		26,936	833
C-43	Core1	Tokyo Central 5 Wards	Pacific Residence Shibadaimon	1,980	48						
C-44	Sub-core	Tokyo 23 Wards	Glana Nihonbashi	1,550	45						
C-45	Sub-core	Tokyo Central 5 Wards	Nostel Court Kanda	1,320	43						
C-46	Sub-core	Tokyo 23 Wards	Cosmos Gracia Shin-okachimachi	2,162	69						
C-47	Core1	Tokyo 23 Wards	Pacific Residence Sangen-jaya II	1,750	34						
C-48	Core1	Tokyo 23 Wards	Pacific Residence Chidoricho	1,500	60						
C-50	Core1	Tokyo Central 5 Wards	Pacific Residence Nishi-Shinjuku	2,020	74						
C-51	Core1	Tokyo Central 5 Wards	Pacific Residence Hiroo-Minami	1,180	26						
F-1	Core1	Tokyo Central 5 Wards	Pacific Residence Sakuragaoka	3,960	66						
F-2	Core1	Tokyo Central 5 Wards	Pacific Residence Mejiro Otomeyama	1,100	19						
F-3	Core1	Tokyo 23 Wards	Pacific Residence Shinkawa	1,420	36						
F-9	Sub-core	Major Regional Cities	Sky Heights Hirabari	554	36						
F-10	Core1	Tokyo 23 Wards	Pacific Residence Mejiro	7,350	162						
F-11	Core1	Tokyo Central 5 Wards	Pacific Residence Shibaura	4,900	154						
F-12	Core1	Major Regional Cities	Pacific Residence Shirakabehigashi	1,070	33						
F-13	Core1	Major Regional Cities	Pacific Residence Sakaihigashi	890	50						
F-14	Sub-core	Tokyo Metropolitan Area	Maison Yachiyodai	1,281	39						
F-15	Sub-core	Tokyo 23 Wards	Abreast Kasai	807	29						
F-16	Core1	Major Regional Cities	Pacific Residence Uzumasa	958	48						
F-17	Core1	Major Regional Cities	Pacific Residence Izumi	4,400	122						
F-18	Core1	Tokyo 23 Wards	Pacific Residence Nihonbashi-bakurocho	5,380	132						
F-19	Core1	Tokyo 23 Wards	Pacific Residence Gotenyama	1,186	16						
F-20	Core1	Major Regional Cities	Pacific Residence Maruyama-kitagojo	1,284	56						
F-21	Core1	Major Regional Cities	Pacific Residence Tokugawa	975	27						

- This material is for an informational purpose only. This material does not constitute a part of, and should not be construed as, an offer to sell or a recommendation on any securities. You should consult with a securities firm if you intend to invest in any security of Nippon Residential Investment Corporation (“Nippon Residential”).
- This material does not constitute a part of any disclosure document or any operational report subject to the Financial Instruments and Exchange Law, the Investment Trust and Investment Corporation Law, the Tokyo Stock Exchange Listing Rules and related regulations of the foregoing laws and rules.
- This material contains forward-looking statements regarding the intent, belief or current expectations of Nippon Residential with respect to financial conditions and prospective results of operations. These statements are based on certain assumptions and estimates based on currently available information. Accordingly, the statements are subject to undiscovered risks, uncertainties and other factors and do not ensure a good outcome of the business performance, actual financial conditions or results of operations of Nippon Residential. Actual results may vary from those expressly or impliedly stated in the forward-looking statements.
- Nippon Residential prepared this material with the greatest care and believes that the information contained in this material are accurate. However, Nippon Residential gives no assurance as to the accuracy, certainty, validity or fairness of any of the information. In addition, please note that any information is subject to revision or retraction without prior notice.
- This material may not be reproduced or distributed without the prior consent of Nippon Residential.

Inquiries

Pacific Investment Advisors Corporation Phone +81-3-5251-8529

Financial Instruments Firm, Director of Kanto Local Finance Bureau (*Kinsho*) No,376
Member of The Investment Trusts Association