

Translation Purpose Only

December 19, 2007

For Immediate Release

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Notice Concerning Acquisition of Properties (Tip's Machida Building and GRAND-ROUGE Sakae II)

United Urban Investment Corporation ("United Urban") hereby announces its decision to acquire properties as set forth below on December 19, 2007.

Details

1. Acquisition of the Properties

United Urban acquires trust beneficial interests of properties (referred to as individually, an "Asset to be Acquired") as set forth below.

Property Name	Type of Use	Location (lot number)	Scheduled Acquisition Price	Scheduled Acquisition Date
Tip's Machida Building	Gym Retail Properties	6-1103・1104-4・1104-5・1244-1・ 1244-4・1244-5・1245-2・ 1245-3・1246-1 Haramachida, Machida-shi, Tokyo	¥ 4,100 million	December 27, 2007
GRAND-ROUGE Sakae II	Residential Properties	5-2128・2129 Sakae, Naka-ku, Nagoya-shi, Aichi	¥ 1,300 million	December 26, 2007

2. Details of Acquisition

A. Tip's Machida Building

(1) Reason for the Acquisition

In accordance with the fundamental asset-management policy and its investment approach prescribed in United Urban's Articles of Incorporation, United Urban will acquire the Asset to be Acquired for the purpose of expanding its portfolio of retail properties in Tokyo Metropolitan Area. When taking the decision to acquire the Asset to be Acquired, the following aspects were appreciated.

1. Location

Located a convenient three-minute walk from Machida Station, which is the Odakyu Line's second largest station in terms of passenger numbers after Shinjuku Station, the Asset to be Acquired is a downtown-type multi-tenant commercial building. The property, which is favored for its high visibility and good access to its tenant stores that look onto both Park Avenue Shoten-gai shopping street and Machida Kaido street, is located in a bustling shopping and entertainment district with high commercial potential near the railway station. Therefore, stable demand for leaseholds for the property can be expected.

2. Tenants, etc.

With regard to the Asset to be Acquired, a building lease agreement will be concluded by and between Mizuho Trust and Banking Co., Ltd. as an asset custodian and Marubeni Community Co., Ltd. immediately after the acquisition, and Marubeni Community Co., Ltd. will take over the building lease agreements concluded between Mizuho Trust and Banking Co., Ltd. and individual tenants subject to their consents. Therefore, stable operation is expected.

The scheduled tenants who will sublease space in the building from Marubeni Community Co., Ltd. after the acquisition of the Asset to be Acquired are various companies in terms of their reputations, actual performance and character. These tenants include TIPNESS Limited, a leading operating company of fitness club; Saizeriya Co., Ltd., which is the listed company on the first section of Tokyo Stock Exchange; MONTEROZA Co., Ltd., a major restaurant chain.

(2) Summary of Acquisition

1. Acquired Asset	Trust beneficial interest in real estate
2. Name of Acquired Asset	Tip's Machida Building
3. Scheduled Acquisition Price	¥ 4,100 million (excluding acquisition costs, property tax, city planning tax and consumption tax etc.)
4. Scheduled Date of Agreement	December 27, 2007 (conclusion of the sale and purchase agreement of trust beneficial interest in real estate)
5. Scheduled Date of Acquisition	December 27, 2007 (transfer of the trust beneficial interest)
6. Seller	TIPNESS Limited
7. Financing	Cash on hand and Debt financing (Scheduled)
8. Date of Payment	December 27, 2007 (Scheduled)

(3) Outline of Property to be Acquired

Property Name	Tip's Machida Building	
Type of Asset to be Acquired	Trust beneficial interest in real estate	
Asset Custodian	Mizuho Trust & Banking Co., Ltd.	
Period of Trust Agreement	From December 27, 2007 to December 26, 2017 (Scheduled)	
Scheduled Date of Acquisition	December 27, 2007	
Location (Note 1)	lot number	6-1103 • 1104-4 • 1104-5 • 1244-1 • 1244-4 • 1244-5 • 1245-2 • 1245-3 • 1246-1 Haramachida, Machida-shi, Tokyo
	residential	6-7-8 Haramachida, Machida-shi, Tokyo
Access	3 minutes walk from Machida Station (JR Yokohama Line) 4 minutes walk from Machida Station (Odakyu Line)	
Use (Note 1)	Retail Properties, Gym	
Site Area (Note 1)	Land	1,596.82 m ²
	Building	8,075.04 m ²
Structure (Note 1)	SRC B1/7F	
Type of Ownership	Land: Proprietary Ownership Building: Proprietary Ownership	
Completion Date (Note 1)	June 1992	
Scheduled Acquisition Price	¥ 4,100 million	
Appraisal Value	¥ 4,730 million	
Date of Value Estimate	October 1, 2007	
Appraisal Agency (Appraisal Method)	Appraisal by Japan Real Estate Institute	
Probable Maximum Loss	18 %	
Collateral	None	
Special Instructions	<p>(i) No application for approval to construct structures on land has been made for an implanted signboard, a side signboard, and a free-standing signboard, all of which exist on the property. Therefore, the relevant sale and purchase agreement of trust beneficial interest in real estate will require that these signboards are removed not later than February 15, 2008; that an application for approval to construct structures on land shall be filed for new signboards; and that new signboards which conform to laws and ordinances shall be built with a certificate of inspection issued not later than February 29, 2008, with all of the foregoing at the expense of and on the responsibility of the seller.</p> <p>(ii) For some of the wall signboards on the property, an application for approval to install outdoor advertising has not been made. Therefore, the relevant sale and purchase agreement of trust beneficial interest in real estate will require that such an application be filed not later than January 31, 2008 and that receipt thereof shall be obtained from Machida city, with both the foregoing at the expense of and on the responsibility of the seller.</p> <p>(iii) The eave established on the first floor on the northeast side of the property crosses over to a location-designated road under the Building Standard Law and is suspected of violating the law. Therefore, the relevant sale and purchase agreement of trust beneficial interest in real estate will require that the aforementioned suspicion be cleared by removing the eave and that the eave shall be re-established in a manner that complies with laws and ordinances no later than January 31, 2008, with both of the foregoing at the expense of and on the responsibility of the seller.</p>	

Tenant Details	Number of Tenants (Note 2)	10
	Security Deposit (Note 3)	¥ 355 million
	Total Rental Revenues (yearly) (Note 3)	¥ 338 million
	Total Leasable Floor Space (Note 4)	6,728.32 m ²
	Total Leased Floor Space (Note 4)	6,728.32 m ²
	Occupancy Ratio (Note 3) (Note 5)	100 %

(Notes)

1. Each information in the “Location (lot number)”, “Use”, “Site Area”, “Structure” and “Completion Date” is described as it appears on the real estate register.
2. Figure in “Number of Tenants” is as of December 19, 2007. Tenants, who agree that Marubeni Community Co., Ltd. become a lessor, will be sublessor from Marubeni Community Co., Ltd.
3. These are figures as of December 19, 2007.
4. “Total Leasable Floor Space” and “Total Leased Floor Space” are total figures of space subject to lease, which is stated on the lease agreement between the Seller and each tenant, as of December 19, 2007.
5. “Occupancy Ratio” is the percentage obtained by dividing “Total Leased Floor Space” by “Total Leasable Floor Space”.

In addition, “Owner”, “Architect”, “Constructor”, “Structural Strength Calculator” and “Building Inspection Agency” are as set forth below.

Property No.	Owner	Architect	Constructor	Structural Strength Calculator	Building Inspection Agency
A11	Kadoya Gofukuten Co., Ltd. Sugisaki Sangyo Co., Ltd. Three individuals	Azusa Sekkei Co., Ltd.	SHIMIZU CORPORATION	Azusa Sekkei Co., Ltd.	Machida City

None of the above owner, architect, constructor, structural strength calculator and building inspection agency was included in the list of owners, architects, constructors, structural strength calculators and building inspection agencies of properties whose structural calculation statements were falsified as announced by the Ministry of Land, Infrastructure and Transport as of December 10, 2007.

(4) Seller Profile

Company Name	TIPNESS Limited
Head Office Address	16-4 Udagawa-cho, Shibuya-ku, Tokyo
Representative	Mitsuo Yoshida, President
Capital	¥ 140 million (As of December 19, 2007)
Major Shareholders	(As of December 19, 2007) Suntory Limited 2,000 shares (71.4%) Marubeni Corporation 800 shares (28.6%)
Principal Business	Management of fitness club
Relationship with United Urban or JRA	TIPNESS Limited is a related party under the Law Concerning Investment Trusts and Investment Corporations of Japan (“Related Parties”). In addition, TIPNESS Limited falls under the “Sponsor/Stakeholder” category under self-imposed rules (rules for conflict of interest) of Japan REIT Advisors Co., Ltd. (“JRA”) to which United Urban entrusts asset management services (“Sponsor/Stakeholder”) and therefore is abiding by the predetermined limitations and procedures.

(5) Condition of Buyers of the Property (in the case of current owner or beneficiary of the trust is special related party.)

Property name (location)	Tip's Machida Building (6-1103・1104-4・1104-5・1244-1・1244-4・1244-5・1245-2・1245-3・1246-1 Haramachida, Machida-shi, Tokyo)		
Condition of owners of the property	Current owner or beneficiary of the trust	Previous owner or beneficiary of the trust	Previous owner or beneficiary of the trust but one
Company name / Name	TIPNESS Limited	Other than the special related parties	
Relationship with special related parties	Related parties and Sponsor/Stakeholder		
Process of acquisition and reasons	Land: Acquisition by claim for payment in substitution to previous owner Building: Acquisition by claim for payment in substitution to previous owner		
Acquisition price (including other costs)	Acquisition price of land is omitted because the current owner has owned more than one year.		
Date of acquisition	Land: April, 2004 June, 2005 May, 2006 July, 2006 Building: March, 2004 June, 2005 May, 2006 July, 2006		

(6) Summary of Brokerage

Company Name	Mitsubishi Real Estate Services Co., Ltd.
Commission	¥ 123,000 thousand (excluding consumption taxes)
Relationship with United Urban or JRA	None

(7) Transactions with Related Parties

Seller: TIPNESS Limited

TIPNESS Limited is a related party. In addition, it falls under the “Sponsor/Stakeholder” category, and therefore is abiding by the predetermined limitations and procedures.

Concerning the acquisition of Asset to be Acquired, United Urban will pay TIPNESS Limited 4,100 million yen (excluding acquisition costs, property tax, city planning tax and consumption tax etc.) as an acquisition price.

Tenant and Property Management Company: Marubeni Community Co., Ltd.

Marubeni Community Co., Ltd. is a related party. In addition, Marubeni Community Co., Ltd. falls under the “Sponsor/Stakeholder” category and therefore is abiding by the predetermined limitations and procedures.

(8) Method of Payment

Lump-sum payment at the transfer of the property by cash on hand and debt financing (Scheduled)

(9) Acquisition Schedule

December 19, 2007: Decision of the acquisition

December 27, 2007: Scheduled date of conclusion of the sale and purchase agreement of trust beneficial interest in real estate

December 27, 2007: Scheduled date of the transfer of the trust beneficial interest

B. GRAND-ROUGE Sakae II

(1) Reason for the Acquisition

In accordance with the fundamental asset-management policy and its investment approach prescribed in United Urban's Articles of Incorporation, United Urban will acquire the Asset to be Acquired for the purpose of expanding its portfolio of residential properties in the other regions. When taking the decision to acquire the Asset to be Acquired, the following aspects were appreciated.

1. Location

The Asset to be Acquired is situated in Sakae 5-chome, Naka-ku, Nagoya-shi, about 5minutes walk from "Yaba-cho Station" of Nagoya City Subway Meijo Line. It is located in Sakae area which is a commercial center and Fushimi and Marunouchi area which is a business center. Therefore, United Urban anticipates broad rental demand from singles to DINKS due to the excellent convenience for work and school commutes.

2. Tenants, etc.

United Urban will take over the master lease agreement with rental guarantee which was entered into by and between Marubeni Corporation as a seller and ABLE Hosho, Inc., and a steady income is expected.

(2) Summary of Acquisition

1. Acquired Asset	Trust beneficial interest in real estate
2. Name of Acquired Asset	GRAND-ROUGE Sakae II
3. Scheduled Acquisition Price	¥ 1,300 million (excluding acquisition costs, property tax, city planning tax and consumption tax etc.)
4. Scheduled Date of Agreement	December 26, 2007 (conclusion of the sale and purchase agreement of trust beneficial interest in real estate)
5. Scheduled Date of Acquisition	December 26, 2007 (transfer of the trust beneficial interest)
6. Seller	Marubeni Corporation
7. Financing	Cash on hand (Scheduled)
8. Date of Payment	December 26, 2007 (Scheduled)

(3) Outline of Property to be Acquired

Property Name		GRAND-ROUGE Sakae II
Type of Asset to be Acquired		Trust beneficial interest in real estate
Asset Custodian		Mizuho Trust & Banking Co., Ltd.
Period of Trust Agreement		From December 26, 2007 to December 25, 2017 (Scheduled)
Scheduled Date of Acquisition		December 26, 2007
Location (Note 1)	lot number	5-2128 · 2129 Sakae, Naka-ku, Nagoya-shi, Aichi
	residential	5-21-37 Sakae, Naka-ku, Nagoya-shi, Aichi
Access		5 minutes walk from Yaba-cho Station (Nagoya City Subway Meijo Line)
Use (Note 1)		Residential Properties (91 units)
Site Area (Note 1)	Land	674.34 m ²
	Building	3,172.34 m ² (attached building (parking lot) :38.61 m ²)
Structure (Note 1)		RC 11F (attached building :S 1F)
Type of Ownership		Land: Proprietary Ownership Building: Proprietary Ownership
Completion Date (Note 1)		February 2007
Scheduled Acquisition Price		¥ 1,300 million
Appraisal Agency (Appraisal Method)		Appraisal by Japan Real Estate Institute
Appraisal Value		¥ 1,300 million
Date of Value Estimate		October 1, 2007
Probable Maximum Loss		13 %
Collateral		None
Special Instructions		With regard to the building of the Asset to be Acquired, the real estate appraisal report dated December 14, 2007 prepared by the Japan Real Estate Institute raised doubts about conformity with some of the provisions of the Aichi Prefectural Ordinance on Promotion of People-friendly Community Building Urban Development. Of these nonconformities, some portions of the building that will not be subject to refurbishment after United Urban acquires the Asset to be Acquired have been admitted to be unrepairable from the viewpoint of functional or structural considerations and the economic rationality by the administrative authorities which has thus confirmed to the owner of the property its intention not to direct, instruct or demand the repair or improvement thereof.
Tenant Details	Number of Tenants	1
	Major Tenant	ABLE Hosho, Inc.
	Security Deposit	¥ 6 million
	Total Rental Revenues (yearly) (Note 2)	¥ 80 million
	Total Leasable Floor Space (Note 3)	2,579.89 m ²
	Total Leased Floor Space (Note 3)	2,579.89 m ²
	Occupancy Ratio (Note 2) (Note 4)	100 %

(Notes)

- Each information in the “Location (lot number)”, “Use”, “Site Area”, “Structure” and “Completion Date” is described as it appears on the real estate register.
- These are figures as of December 19, 2007.
- “Total Leasable Floor Space” and “Total Leased Floor Space” are total figures of space subject to lease, which is

- stated on the building lease agreement between the Seller and ABLE Hosho, Inc. as of December 19, 2007.
4. “Occupancy Ratio” is the percentage obtained by dividing “Total Leased Floor Space” by “Total Leasable Floor Space”.

In addition, “Owner”, “Architect”, “Constructor”, “Structural Strength Calculator” and “Building Inspection Agency” are as set forth below.

Property No.	Owner	Architect	Constructor	Structural Strength Calculator	Building Inspection Agency
D17	Marubeni Corporation	glanz-home Co., Ltd.	KONOIKE CONSTRUCTION CO., LTD.	glanz-home Co., Ltd.	JAPAN ERI CO., LTD.

None of the above owner, architect, constructor and structural strength calculator was included in the list of owners, architects, constructors and structural strength calculators of properties whose structural calculation statements were falsified as announced by the Ministry of Land, Infrastructure and Transport as of December 10, 2007. However, the building inspection agency, JAPAN ERI CO., LTD. was announced as having been involved in the properties whose structural calculation statements were falsified.

United Urban has requested a specialized third-party institution to reconfirm the structural calculation statements of the Asset to be Acquired, and it has been reported that the structural safety was confirmed by comparing the members’ cross-sections of the structural calculation statements and those of structural drawings of the Asset to be Acquired and by confirming the method of structural calculation and earthquake resisting performance, and so on. The report provided no indication from which United Urban could suspect a problem.

(4) Seller Profile

Company Name	Marubeni Corporation		
Head Office Address	4-2 Ohtemachi 1-chome, Chiyoda-ku, Tokyo		
Representative	Nobuo Katsumata, President and CEO, Member of the Board		
Capital	¥ 262,686 million (As of March 31, 2007)		
Major Shareholders	(As of March 31, 2007)		
	Name	No. of shares held (thousand of shares)	Percentage (%)
	Japan Trustee Services Bank, Ltd. (trust account)	106,209	6.12
	The Master Trust Bank of Japan, Ltd. (trust account)	94,538	5.45
	Sompo Japan Insurance Inc.	60,411	3.48
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	52,859	3.05
	Meiji Yasuda Life Insurance Company	43,085	2.48
Principal Business	Import and export and sales of inside and outside goods		
Relationship with United Urban or JRA	Marubeni is a shareholder (owning 51%) of JRA, and thus falls under Related Parties. In addition, Marubeni falls under the “Sponsor/Stakeholder” category, and therefore is abiding by the predetermined limitations and procedures.		

(5) Condition of Buyers of the Property (in the case of current owner and beneficiary of the trust is special related party.)

Property name (location)	GRAND-ROUGE Sakae II (5-2128 • 2129 Sakae, Naka-ku, Nagoya-shi, Aichi)		
Condition of owners of the property	Current owner or beneficiary of the trust	Previous owner or beneficiary of the trust	Previous owner or beneficiary of the trust but one
Company name / Name	Marubeni Corporation	Land: Other than the special related parties Building: None	
Relationship with special related parties	Related parties and Sponsor/Stakeholder		
Process of acquisition and reasons	Land: Investment and operation Building: Development property of current owner		
Acquisition price (including other costs)	Acquisition price of land is omitted because the current owner has owned more than one year.		
Date of acquisition	Land: July, 2005		

(6) Summary of Brokerage

There was no brokerage transaction for this acquisition.

(7) Transactions with Related Parties

Seller: Marubeni Corporation

Marubeni falls under Related Parties. In addition, Marubeni falls under the “Sponsor/Stakeholder” category, and therefore is abiding by the predetermined limitations and procedures.

Concerning the acquisition of Asset to be Acquired, United Urban will pay Marubeni 1,300 million yen (excluding acquisition costs, property tax, city planning tax and consumption tax etc.) as an acquisition price.

(8) Method of Payment

Lump-sum payment at the transfer of the property by cash on hand (Scheduled)

(9) Acquisition Schedule

December 19, 2007: Decision of the acquisition

December 26, 2007: Scheduled date of conclusion of the sale and purchase agreement of trust beneficial interest in real estate

December 26, 2007: Scheduled date of the transfer of the trust beneficial interest

3. Outlook of Operating Condition

The influence of acquisitions of two Assets to be Acquired are not clear at this moment. Therefore, these will be disclosed at the announcement of financial statements for the eighth fiscal period (period ending November 2007) with the forecast of ninth fiscal period (period ending May 2008).

【 Attached Materials 】

1. Summary of Appraisal Report
2. Portfolio after Acquisition of Assets to be Acquired
3. Photo

Summary of Appraisal Report

A. Tip's Machida Building

Property Name	Tip's Machida Building
Appraisal Value	¥ 4,730,000 thousand
Appraisal Agency	Japan Real Estate Institute
Date of Value Estimate	October 1, 2007

Item	Details (thousand of yen, unless otherwise indicated)	Grounds
Profit Price	4,730,000	
Price by Direct Capitalization Method	4,730,000	
(1) Total profit (Effective total profit: 1-2-3)	411,483	-
1. Potential total profit (rental revenues, common area charges)	318,713	Assumed a unit value level of rents that can be received stably over the medium to long term, from the level of average rents under the current lease agreement (in case there is any pending lease contract, prearranged terms of contract is applied; and in cases there is any vacancy or rentable room for which a notice to vacate has been given, such a room is assumed to be put to lease on terms that take into account its individuality), the rents and common area charges of the subject property of appraisal in case the new renting is assumed to take place, and attributes of lessees; and recorded rental revenues and common area charges as calculated based on the unit value level thus assumed.
Utility revenues	121,000	Recorded utility revenues that assume a 100% occupancy ratio by taking into account prior actual performance and the occupancy status of rentable rooms.
Other revenues	2,550	Recorded advertising facility fees and outside parking charges as other revenues.
2. Losses from vacancies	30,780	Assumed an occupancy ratio level that will remain stably passable over the medium to long term from the occupancy status of and the supply and demand trends of competing or alternative properties with similar features in a comparable area within the same sphere of supply and demand and past records and future prospects of the occupancy ratio of the subject property of appraisal; and recorded the losses from vacancies as calculated based on the occupancy ratio level thus assumed. For reference, losses from vacancies are not recorded under other revenues item because other revenues are calculated based on prior actual performance.
3. Bad debt losses	0	Judged that no bad debt losses have been recorded in view of the circumstances of lessees
(2) Total expenses(4+5+6+7+8+9+10+11)	144,533	-
4. Administrative and maintenance fees	27,162	Appraised by taking into account the individualities of the subject property in reference to prior actual performance, current administrative and maintenance fees and building management fees of similar rental buildings.

	5. Utilities	75,000	Recorded by taking into account occupancy ratios for rentable room, based on prior actual performance
	6. Repairs	3,102	Appraised by taking into account future management plans, the level of expenses of similar properties, and the annual average amounts of repairs in the engineering report in reference to prior actual performance.
	7. Property and other tax	30,616	Recorded based on actual amount of 2007 and amount of tax base of 2007
	8. Property Management Fee	4,484	Recorded by taking into account the rate of fees for similar properties and the individualities of subject properties under appraisal, in reference to the rate of fees based on scheduled contract conditions.
	9. Advertising expenses for tenants	2,344	Recorded annual average amount assessed by assumed turnover period of lessees.
	10. Casualty insurance	475	Appraised by taking into account the estimate of insurance costs based on scheduled insurance contracts and the insurance costs of buildings similar to the subject building.
	11. Other expenses	1,350	Recorded separate parking charges as other expenses.
	(3) Net operating income (NOI: (1)-(2))	266,950	-
	(4) Operating profit of lump-sum money	5,626	Assumed a number-of-month-equivalent lease deposit that will remain stably passable over the medium to long term based on the required number-of-month-equivalent lease deposits for new lease contracts as appraised on the current terms of lease contracts; and calculated an investment yield of lump-sum money by multiplying the assumed number-of-month-equivalent lease deposit as adjusted for the occupation ratio by an investment yield. Set an investment yield at 2.0% as assessed as appropriate for fund management during a period of deposit.
	(5) Capital expenditures (including routine repairs)	10,998	Appraised in view of the age of the building and the annual average amount of renewal costs in the engineering report, on the assumption that projected average expenditures are set aside every period.
	(6) Net cash flow (NCF: (3)+(4)-(5))	261,578	-
	(7) Cap rate	5.5%	Appraised using a real-estate investment yield considered to involve the lowest investment risk as the base and by adjusting the spreads arising from individual factors such as location requirements and condition of the building and other conditions for the subject property of appraisal, taking into account any future uncertainties and yields from similar real estate deals.
	Price by Discounted Cash Flow method	4,690,000	
	Discount rate of periodic income	5.3%	
	Terminal cap rate	5.7%	
	Cost approach price	3,490,000	
	Ratio of land	76.77%	
	Ratio of building	23.22%	

B. GRAND-ROUGE Sakae II

Property Name	GRAND-ROUGE Sakae II
Appraisal Value	¥ 1,300,000 thousand
Appraisal Agency	Japan Real Estate Institute
Date of Value Estimate	October 1, 2007

Item	Details (thousand of yen, unless otherwise indicated)	Grounds
Profit Price	1,300,000	
Price by Direct Capitalization Method	1,310,000	
(1) Total profit (Effective total profit: 1-2-3)	78,027	-
1. Potential total profit (rental revenues, common area charges and other revenues)	78,027	Appraised appropriate master lease rent by examining similar lease cases in the surrounding area, because the parking lot revenues of the current master lease agreement is of a high level in view of the situation of the last tenant, the level of signed rents of the surrounding area and vacancy rate. Recorded bicycle parking revenues as other revenues.
2. Losses from vacancies	0	Unrecorded by the conclusion of a master lease agreement
3. Bad debt losses	0	Judged that the recognition of bad debt losses is unnecessary in view of the tenants' situations.
(2) Total expenses (4+5+6+7+8)	8,292	-
4. Administrative and maintenance fees (maintenance fees, administrative fees and utilities)	0	No administrative and maintenance fees because of master lease agreement
5. Repairs	851	No restitution fees because of master lease agreement. Appraised ordinary repairs in view of the level of the similar real estates
6. Property and other tax	7,061	For the land, recorded property and other tax as appraised by taking into account that the relevant land lot falls under the heading of small-sale building land. For the building, recorded property and other tax as appraised based on the recorded replacement cost of the subject property of appraisal, leaving out account reduction or exemption measures that are applicable to newly built residential buildings.
7. Casualty insurance	380	Appraised by taking into account the insurance costs based on current insurance contracts and the insurance costs of similar buildings.
8. Other expenses	0	No particular expenses
(3) Net operating income (NOI: (1)-(2))	69,735	-
(4) Operating profit of lump-sum money	128	Calculated an investment yield of the lump-sum money by multiplying lease deposits under master lease contracts having a character as deposited money. Set an investment yield at 2.0% as assessed as appropriate for fund management during a period of deposit.
(5) Capital expenditures (including routine repairs)	1,983	Appraised in view of the age of building and the annual average amount of renewal costs in the engineering report.
(6) Net cash flow (NCF: (3)+(4)-(5))	67,880	-
(7) Cap rate	5.2%	Appraised by using a real-estate investment yield

			considered to involve the lowest investment risk as a benchmark, and by adjusting the spreads arising from individual factors such as location requirements; the condition of the building such as age, total floor area and level of equipment; level of the current rents for the subject building against market rents; contract conditions; and relations of rights in regard to the subject land and building, in view of any future uncertainties and yields from similar real estate deals.
	Price by Discounted Cash Flow method	1,290,000	-
	Discount rate of periodic income	5.0%	-
	Terminal cap rate	5.4%	-
	Cost approach price	1,220,000	-
	Ratio of land	30.3%	
	Ratio of building	69.7%	

Reference Material 2

Portfolio after Acquisition of Acquired Assets

As of July 11, 2009 (Scheduled)

No.	Type (Note 1)	Name of Property	Acquisition Date	Acquisition Price (Millions of yen) (Note 2)	Share in total acquisition price (%)	Share in type (%)
A1	Retail Properties	Daiei Himonya	Dec. 25, 2003	15,300	8.7%	36.6%
A2		Joy Park Izumigaoka	Dec. 22, 2003	6,770	3.9%	
A3		Daimaru Peacock Ashiya-Kawanishi Ten	Dec. 22, 2003	769	0.4%	
A4		Re-LAND Shopping Center	Sep. 17, 2004	5,200	3.0%	
A5		AEON MALL Uki Value	Dec. 3, 2004	11,100	6.3%	
A6		TENJIN LUCE	Apr. 14, 2006	6,500	3.7%	
A7		Yamada Denki Tecc Land Sakai Honten	Apr. 28, 2006	3,210	1.8%	
A8		Miyamae Shopping Center	Feb. 19, 2007	5,312	3.0%	
A9		KONAMI SPORTS CLUB Korigaoka	Jun. 29, 2007	2,040	1.2%	
A10		ACTIOLE minami ikebukuro	Sep. 27, 2007	3,760	2.1%	
A11		Tip's Machida Building	Dec. 27, 2007	4,100	2.3%	
B1	Office Buildings	T&G Hamamatsu-Cho Building	Dec. 26, 2003	2,257	1.3%	27.2%
B2		SK Nagoya Building	Dec. 26, 2003	5,400	3.1%	
B3		Fukuoka Eartheon Building	Dec. 26, 2003	2,080	1.2%	
B4		Marumasa Koujimachi Building	Mar. 29, 2004	2,350	1.3%	
B5		Rokuban-Cho K Building	Mar. 30, 2004	2,150	1.2%	
B6		Shin-Osaka Central Tower (office portion)	Dec. 2, 2004	14,279	8.2%	
B7		Kawasaki Toshiba Building	Dec. 20, 2004	19,200	11.0%	
C1	Hotels	Shinjuku Washington Hotel-Honkan	Dec. 22, 2003	21,100	12.1%	18.7%
(B6)		Shin-Osaka Central Tower (hotel portion)	Dec. 2, 2004	9,721	5.5%	
C2		Toyoko Inn Shinagawa-Eki Takanawaguchi	Feb. 18, 2005	1,884	1.1%	
D1	Residential Properties	T&G Higashi-Ikebukuro Mansion	Dec. 26, 2003	2,021	1.2%	16.3%
D2		T&G Yotsuya Mansion	Dec. 26, 2003	1,355	0.8%	
D3		Excellia Magome	Dec. 26, 2003	697	0.4%	
D4		Komazawa Court	Dec. 26, 2003	1,680	1.0%	
D5		Ropponmatsu Court	Dec. 26, 2003	757	0.4%	
D6		Sky Court Shiba-Daimon	Oct. 15, 2004	1,175	0.7%	
D7		Maison Ukima	Oct. 26, 2004	3,530	2.0%	
D8		Narashino Residence	Oct. 26, 2004	1,140	0.7%	
D9		Aprile Shin-Ohgi Ichibankan	Apr. 13, 2005	3,031	1.7%	
D10		UUR Court Sapporo Kitasanjo	Mar. 16, 2006	1,278	0.7%	
D11		Soga Dormitory	Feb. 8, 2006	620	0.4%	
D12		Higashikurume Dormitory Shinkan	Feb. 8, 2006	480	0.3%	
D13		Nanzan Court Ichigoukan	Mar. 30, 2006	1,070	0.6%	
D14		Nanzan Court Nigoukan	Mar. 30, 2006	450	0.3%	
D15		CLIO Bunkyo Koishikawa	Apr. 28, 2006	3,170	1.8%	
D16		GRAND-ROUGE Sakae	Nov. 30, 2006	1,570	0.9%	
D17		GRAND-ROUGE Sakae II	Dec. 26, 2007	1,300	0.7%	
(Note 3)	UUR Court Nagoya Meieki (Note 4)	Sep. 30, 2008	1,473	0.8%		
(Note 3)	UUR Court Sapporo Shinoro Ichibankan (Note 4)	Nov. 11, 2008	870	0.5%		
(Note 3)	UUR Court Sapporo Shinoro Nibankan (Note 4)	Jul. 11, 2009	850	0.5%		

E1	Others	Lilycolor Tohoku Branch	May 29, 2006	2,050	1.2%	1.2%
Total				175,048	100.0%	

(Notes)

1. In accordance with change of the Articles of Incorporation of United Urban, the types of use were changed to “Retail Properties”, “Office Buildings”, “Hotels”, “Residential Properties” and “Others” as of August 30, 2007. Accordingly, the type of use of “Lilycolor Tohoku Branch” was changed from “Residential Properties and Others” to “Others”, and the property number was also changed from “D16” to “E1”.
2. The acquisition prices above are rounded off to the nearest one million yen.
3. Numbering of the properties to be acquired will be given on completion of the acquisition.
4. The details of UUR Court Nagoya Meieki, UUR Court Sapporo Shinoro Ichibankan and UUR Court Sapporo Shinoro Nibankan which are assets to be acquired as of the date hereof are disclosed in the press release “Notice Concerning Acquisition of Properties (KONAMI SPORTS CLUB Korigaoka and UUR Court Sapporo Shinoro Ichibankan and Nibankan)” dated June 28, 2007 and “Notice Concerning Acquisition of Property (UUR Court Nagoya Meieki)” dated September 12, 2007. The table shown above assumes that in addition to the Assets to be Acquired, UUR Court Nagoya Meieki, UUR Court Sapporo Shinoro Ichibankan and UUR Court Sapporo Shinoro Nibankan have been acquired.

Reference Material 3

A. Tip's Machida Building

【Photo】



B. GRAND-ROUGE Sakae II

【Photo】

