

Nomura Real Estate Master Fund, Inc.
Securities Code: 3462
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Notice Concerning Debt Financing

Nomura Real Estate Master Fund, Inc. (“Nomura Master Fund” or the “Fund”) announced today that the Fund will procure debt financing as stated below.

I. Debt Financing

1. Purpose

Nomura Master Fund has decided to procure the debt financing to repay the existing borrowing.

2. Details of Debt Financing

Loan Type : Term Loan (Scheduled contract date: October 27, 2016)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date (Note 1)	Terms of Repayment	Collateral
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Sumitomo Mitsui Trust Bank, Ltd.	3,000	Basic Interest Rate +0.17% (Note 2) (Note3) (Note4)	October 31, 2016	3 years	October 26, 2019	Lump-sum repayment on the repayment date	Unsecured, unguaranteed

(Note 1) Repayment Date is the following business day if the date is a non-business day, or the prior business day if the following business date is in the next month.

(Note 2) Basic Interest Rate, which applies to the calculation period of the interest rate to be paid on the Interest Payment Date, will be JBA 1 month JPY TIBOR as of two business days before the previous Interest Payment Date of the respective interest payment dates (however, the Drawdown Date for the first interest rate calculation period) announced by the JBA TIBOR Administration.

(Note 3) Basic Interest Rate indicated in (Note 2) will be reviewed on each Interest Payment Date. However, in the case the rate that applies to the calculation period of the interest rate does not exist, what is calculated based on the method stated in the contract will be the Basic Interest Rate that applies to the concerned period. Refer to the JBA TIBOR Administration website regarding the changes in the respective JBA Japanese Yen TIBOR, the base interest rate.

(Note 4) November 26, 2016, the first interest payment date, and 26th of the every month until the Repayment Date. (or the following business day if the date is a non-business day, or the prior business day if the following business date is in the next month)

3. Use of Funds

- (1) Specifics : To be used for repayment of the existing borrowings based on the term loan agreement ^(Note) totaling ¥3 billion which will mature on October 31, 2016.
- (2) Scheduled Date of Use : October 31, 2016

(Note) For details of the term loan agreement maturing on October 31, 2016 please refer to the press release “Notice Concerning Borrowing” announced by Top REIT Inc. on March 8, 2012 (For the press release of Top REIT Inc., please refer to http://www.nre-mf.co.jp/en/ir/index_top.html).

II. Status of Interest Bearing Debts after Debt Financing and Repayment

		(millions of yen)		
		Before drawdown and the repayment	After drawdown and the repayment	Increased/Decreased Amount
	Short-term Borrowings	—	—	—
	Current portion of Long-term borrowings ^(Note 1)	89,168	86,168	—3,000
	Long-term borrowings ^(Note2)	378,221	381,221	+3,000
	Total Borrowings	467,389	467,389	—
	Current portion of Investment Corporation Bonds ^(Note 1)	10,000	10,000	—
	Investment Corporation Bonds ^(Note3)	22,500	22,500	—
	Total Investment Corporation Bonds	32,500	32,500	—
Total Interest-Bearing Debts		499,889	499,889	—

(Note 1) Nature of term is as of the end of the 2nd fiscal period (August 31, 2016).

(Note 2) Excludes Long-term Borrowings due within one year.

(Note 3) Excludes Investment Corporation Bond due within one year.

III. Forecasts of Financial Results

There is only small impact to Nomura Master Fund’s forecasts of financial results for the fiscal period ending February 28, 2017 (September 1, 2016 to February 28, 2017), there is no revision to the forecast of financial results.

IV. Other Matters Required for Investors to Accurately Understand and Evaluate the Information

No change has been made to the content of “Section 1 Fund Information / 1 Status of Fund / 3 Investment Risks” of the Securities Report (in Japanese) filed on May 25, 2016, regarding the risk involved in the debt financing.

*Nomura Real Estate Master Fund, Inc. URL: <http://www.nre-mf.co.jp/english/>