

February 22, 2016

**For Immediate Release**

To Whom It May Concern

Nomura Real Estate Master Fund, Inc.

Securities Code: 3462

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

1. Purpose

Nomura Master Fund has decided to procure the debt financing of ¥5,000 million for the redemption of existing investment corporation bonds of Nomura Real Estate Residential Fund, Inc., which matures on February 25, 2016.

2. Details of Debt Financing

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Loan Type	Repayment Date(Note 4)	Terms of Repayment	Collateral
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000	Floating-rate Basic Interest Rate +0.60% (Note1) (Note 2) (Note3)	February 24, 2016	1 year	Term Loan (Commitment Line Agreement, contracted on June 11, 2015)	February 24, 2017	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Sumitomo Mitsui Banking Corporation	2,000							
Mizuho Bank, Ltd.	1,000							

(Note 1) 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 2) Basic Interest Rate indicated in (Note 1) 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 3) March 26, 2016, the first interest payment date, and 26th of every month thereafter 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)

(Note 4) 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

3. Use of Funds

- (1) Specifics : Loan proceed is to be used for the redemption of the existing investment corporation bonds.
- (2) Scheduled Date of Use : February 25, 2016

4. Status of Interest-bearing Debts after Drawdown and the redemption of the bonds

(¥mln)

	Before drawdown and the redemption of the bonds	After drawdown and the redemption of the bonds	Increased/Decreased Amount
Short-term Borrowings	4,100	9,100	+5,000
Long-term Borrowings (Note 1)	362,176	362,176	—
Investment Corporation Bond (Note 2)	37,500	32,500	— 5,000
Sub Total	399,676	394,676	— 5,000
Total	403,776	403,776	—

(Note 1) Includes Long-term Borrowings due within one year

(Note 2) Includes Investment Corporation Bond due within one year

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

NMF was incorporated through the consolidation-type merger as of October 1, 2015, and has not filed any Securities Registration Statement or Securities Report and therefore has not disclosed “Investment Risks” yet. Please refer to the content of “Investment Risks” of the Securities Reports (in Japanese) filed by Former NMF on November 27, 2015, by Nomura Real Estate Office Fund, Inc. on July 29, 2015 and by Nomura Real Estate Residential Fund, Inc. on August 26, 2015, respectively, regarding the risks involved in the repayment of the borrowings, etc., as there is no material change in such risks.

NMF is to disclose its “Investment Risks” in the Securities Report of NMF (the fiscal period from October 1, 2015 to February 29, 2016) to be filed hereafter.

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