[For Translation Purposes Only]

November 15, 2016

Nomura Real Estate Master Fund, Inc.
Securities Code: 3462
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Notice Concerning Debt Financing and Repayment of Debt Financing ("Financing")

Nomura Real Estate Master Fund, Inc. ("Nomura Master Fund" or the "Fund") announced the decision made today that it will procure debt financing ("Debt Financing") to refinance the existing debt totaling ¥13,000 million ("Existing debt I") and the existing debt totaling ¥20,862 million ("Existing debt II") as described below.

I.Debt Financing

1.Debt financing for refinance Existing debt I

(1) Purpose

The Fund has decided to procure the loan in order to repay current outstanding loans which matures on November 28, 2016.

(2) Details

Loan Type：Term Loan (Scheduled contract date: November 24, 2016)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date(Note1)	Terms of Repayment	Collateral
Mitsubishi UFJ Trust and Banking Corporation Sumitomo Mitsui Trust Bank, Limited	4,000	Fixed (To be determined) (Note2) (Note3)	November 28, 2016	7 years	November 26, 2023	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Mizuho Bank, Ltd.	2,000	Fixed (To be determined) (Note2) (Note3)	November 28, 2016	7 years and 6 months	May 26, 2024	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Mizuho Trust & Banking Co., Ltd The Norinchukin Bank	3,000	Fixed (To be determined) (Note2) (Note3)	November 28, 2016	8 years	November 26, 2024	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd	2,000	Fixed (To be determined) (Note2) (Note4)	November 28, 2016	10 years	November 26, 2026	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Sumitomo Mitsui Banking Corporation	2,000	Fixed (To be determined) (Note2) (Note3)	November 28, 2016	11 years	November 26, 2027	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) The interest rate will be determined on or before the anticipated borrowing date based on the contract dated November 24, 2016 concerning this borrowing. We will make an announcement about the interest when it is determined.
(Note 3) May 26, 2017, the first interest payment date, and 26th of every May and November 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) February 26, 2017, the first interest payment date, and 26th of every February, May, August and November 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)

(3) Use of Funds

① Specifics : To be used for repayment of the existing borrowings based on the term loan(Note) agreement totaling ¥13,000 million which will mature on November 28, 2016.
② Scheduled Date of Use : November 28, 2016

(Note) For details of the term loan agreement, please refer to the press releases "Notice Concerning Debt Financing" the former Nomura Real Estate Master Fund on June 12, 2013.

2.Debt financing for refinance Existing debt Ⅱ

(1) Purpose

The Fund has decided to procure the loan in order to repay current outstanding loans which matures on November 30, 2016.

(2) Details

Loan Type：Term Loan (Scheduled contract date: November 28, 2016)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date(Note1)	Terms of Repayment	Collateral
Mitsubishi UFJ Trust and Banking Corporation	2,500	Fixed (To be determined) (Note2) (Note3)	November 30, 2016	6 years and 6 months	May 26, 2023	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Mizuho Trust & Banking Co., Ltd The Norinchukin Bank Resona Bank, Limited	1,500	Fixed (To be determined) (Note2) (Note3)	November 30, 2016	7 years	November 26 2023	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd	1,800	Fixed (To be determined) (Note2) (Note4)	November 30, 2016	8 years	November 26, 2024	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd	2,000	Fixed (To be determined) (Note2) (Note4)	November 30, 2016	8 years and 6 months	May 26, 2025	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Sumitomo Mitsui Banking Corporation	2,000	Fixed (To be determined) (Note2) (Note3)	November 30, 2016	8 years and 6 months	May 26, 2025	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Development Bank of Japan Inc. Nippon Life Insurance Company	2,800	Fixed (To be determined) (Note2) (Note3)	November 30, 2016	8 years and 6 months	May 26, 2025	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Mizuho Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Sumitomo Mitsui Trust Bank, Limited	4,200	Fixed (To be determined) (Note2) (Note3)	November 30 2016	9 years	November 26, 2025	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd	2,000	Fixed (To be determined) (Note2) (Note4)	November 28, 2016	13 years	November 26, 2029	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Sumitomo Mitsui Banking Corporation	2,000	Fixed (To be determined) (Note2) (Note3)	November 28, 2016	13 years	November 26, 2029	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) The interest rate will be determined on or before the anticipated borrowing date based on the contract dated November 28, 2016 concerning this borrowing. We will make an announcement about the interest when it is determined.
(Note 3) May 26, 2017, the first interest payment date, and 26th of every May and November 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) February 26, 2017, the first interest payment date, and 26th of every February, May, August and November 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)

(3) Use of Funds

① Specifics : To be used for repayment of the existing borrowings based on the term loan(Note) agreement totaling ¥20,862 million which will mature on November 30, 2016. (The remaining to be repaid with cash on hand.)

② Scheduled Date of Use : November 30, 2016.

(Note) For details of the term loan agreement maturing please refer to the press release "Notice Concerning Borrowing" announced by Top REIT Inc. on January 7, 2010 and November 24, 2011(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 Financing

(millions of yen)

	Before Financing(Note 1)	After Financing(Note 1)	Increased/Decreased Amount
Short-term Borrowings	—	—	—
Current portion of Long-term borrowings (Note 2)	86,146	52,284	−33,862
Long-term borrowings(Note 3)	381,221	415,021	＋33,800
Total Borrowings	467,367	467,305	−62
Current portion of Investment Corporation Bonds(Note 2)	10,000	10,000	—
Investment Corporation Bonds(Note 4)	22,500	22,500	—
Total Investment Corporation Bonds	32,500	32,500	—
Total Interest-Bearing Debts	499,867	499,805	−62

(Note 1) Both columns indicate figures assuming that agreed repayments (¥21.4 million in total) scheduled for November 28, 2016.
(Note 2) Nature of term is as of the end of the 2nd fiscal period (August 31, 2016).
(Note 3) Excludes Long-term Borrowings due within one year.
(Note 4) 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/