

**For Immediate Release**

To Whom It May Concern

**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” or “NMF”) announced today that the Fund will procure debt financing as stated below.

**I. Debt Financing**

1. Purpose

The Fund has decided to procure the loan in order to repay current outstanding loans which mature on September 26, 2017.

2. Details of Debt Financing

Loan Type : Term Loan (Scheduled contract date: September 22, 2017)

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.	3,000	Basic Interest Rate +0.17% (Note 2) (Note 3) (Note 4)	September 26, 2017	3 years	September 26, 2020	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
THE BANK OF FUKUOKA, LTD.	1,000	Fixed (To be determined) (Note5) (Note6)		8 years and 2 months	November 26, 2025		

(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 1month 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) The interest payment dates are the 26th of every month beginning October 26, 2017, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest repayment date will be the following business day, or the prior business day if the following business day is in the next month.

(Note 5) The interest rate will be determined on or before the anticipated borrowing date based on the contract dated September 22, 2017

concerning this borrowing. We will make an announcement about the interest when it is determined.

(Note 6) The interest payment dates are the 26th of every May and November, beginning November 26, 2017, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest repayment date will be the following business day, or the prior business day if the following business day is in the next month.

### 3. Use of Funds

(1) Specifics : To be used to repay current outstanding loan based on term loan agreements<sup>(Note)</sup> of 4,000 million that will mature on September 26, 2017.

(2) Scheduled Date of Use : September 26, 2017

(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 September 24, 2015.

## II. Status of Interest Bearing Debts after Financing

(millions of yen)				
		Before Financing	After Financing	Increased/Decreased Amount
	Short-term Borrowings	0	0	—
	Current portion of Long-term borrowings <sup>(Note 1)</sup>	24,862	20,862	— 4,000
	Long-term borrowings <sup>(Note 2)</sup>	441,378	445,378	+ 4,000
	Total Borrowings	466,241	466,241	—
	Current portion of Investment Corporation Bonds <sup>(Note 1)</sup>	4,000	4,000	—
	Investment Corporation Bonds <sup>(Note 3)</sup>	18,500	18,500	—
	Total Investment Corporation Bonds	22,500	22,500	—
	Total Interest-Bearing Debts	488,741	488,741	—

(Note 1) Nature of term is as of the end of the 3rd fiscal period (February 28, 2017).

(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

The effects of the borrowings on the entire portfolio will be accounted for in the forecasts of financial results for the period ending February 28, 2018. This announcement is planned for October 13, 2017, in tandem with the disclosure of results for the period ending August 31, 2017.

## IV. Other

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 29, 2017, regarding the risk involved in the debt financing.

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