



July 23, 2019

For Immediate Release

To Whom It May Concern

Nomura Real Estate Master Fund, Inc.

Securities Code: 3462

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Notice Concerning Partial Disposition of Property

Nomura Real Estate Master Fund, Inc. (“NMF” or the “Fund”) announced the decision made today by Nomura Real Estate Asset Management Co., Ltd. (“NREAM” or the “Asset Management Company”), a licensed investment trust management company retained by the Fund to provide asset management services, that it will partially dispose asset (the “Disposition”) as described below.

1. Summary of Disposition

Property Name	Use	(Scheduled) Date of Agreement	(Scheduled) Date of Disposition	Transferee	(Scheduled) Disposition Price (¥ million)	Book Value (¥ million)	Difference (¥ million)
PROUD FLAT Shinjuku Kawadacho (a portion of land, 11.08 m ²)	Residen- tial	July 26, 2019	July26, 2019	<i>Yakumo Kensetsu Kabushiki Kaisha</i>	23 (Note 1)	14 (Note 2)	8 (Note 3)

(Note 1) The amounts stated exclude adjustment amounts of both property taxes and city planning taxes, as well as consumption taxes and local consumption tax, etc.

(Note 2) The figure is calculated by dividing the book value of the land of the Property as of the end of February 2019 on a prop-rata basis by the land area of the asset to be sold (hereinafter referred to as the “Site to Be Sold”) (Hereinafter referred to as the “Anticipated Book Value”).

(Note 3) This is only a reference value which is the difference between the scheduled disposition price and the Anticipated Book Value, therefore, it is different from gain or loss on sale.

(Note 4) The Site to Be Sold is an actual real estate.

2. Reasons for Disposition

The Site to Be Sold is a part of the land area of PROUD FLAT Shinjuku Kawadacho (the “Property”). The Site to Be Sold has not been included to the land area of the Property for calculating floor area ratio of the Property as the building standing on the adjacent land has been crossing the boundary into the Site to Be Sold. For that reason, the Fund believes the Site to Be Sold doesn’t affect the appraisal value for the Property. Therefore, the Fund has decided to dispose the Site to Be Sold based on the idea that collecting funds by disposition of the Site to Be Sold contributes to the efficient management of the Fund.



3. Summary of the Site to Be Sold

Property Name	PROUD FLAT Shinjuku Kawadacho (a portion of land, 11.08 m ²)	
Type of Asset	Real Estate	
Location (Note 1)	Registry	7-32 Kawadacho, Shinjuku Ward, Tokyo
	Street	3-29 Kawadacho, Shinjuku Ward, Tokyo
Area (Note 1)	Land	11.08 m ²
Type of Ownership	Land	Ownership
Acquisition Price (Note 2)	¥14 million	
Appraisal Value	¥15 million (as of July 23, 2019) (Appraiser: Daiwa Real Estate Appraisal Co., Ltd.)	

(Note 1) Location

Location (registry) and Area are based on the information in the real estate registry.

(Note 2) Acquisition Price

The figure is calculated by dividing the acquisition price of the land of the Property by the Site to Be Sold on a pro-rata basis.

4. Transferee Profile

Name	<i>Yakumo Kensetsu Kabushiki Kaisha</i>
Relation between NMF, NREAM and Transferee	None in particular

5. Transaction with Related Parties

The brokerage of the transaction, Nomura Real Estate Urban Net Co., Ltd., is a Related Party as defined in the Act on Investment Trusts and Investment Corporations (hereinafter the “Investment Trust Law”) as described below. Accordingly, the entrustment of brokerage services, the fees and other terms and conditions for the brokerage services has been duly examined and authorized by the Asset Management Company’s Investment Committee pursuant to its Investment Committee Rules, Rules of Compliance, Compliance Manual, Rules Concerning Transactions with Related Parties, and other relevant rules and guidelines.

6. Broker Profile

Company Name	Nomura Real Estate Urban Net Co., Ltd.
Head Office	1-26-2, Nishi-Shinjuku, Shinjuku-ku, Tokyo
Representative	Kenichi Maeda, President
Principal Business	Real Estate Business
Capital	¥1,000 million (as of March 31, 2019)
Established	November 6, 2000
Relationship with the Fund and/or the Asset Management Company	
Capital	Nomura Real Estate Urban Net Co., Ltd. is an affiliated company of Nomura Real Estate Holdings, Inc., which has 100% ownership of Nomura Real Estate Asset Management Co., Ltd., the Fund’s asset management company, and therefore, is a Related Party under the Investment Trust Law.
Personnel	There is no personnel involvement between the said company and the Fund or the Asset Management Company. There is also no personnel involvement between related parties of the said company and related parties of the Fund or the Asset Management Company.
Transaction	There is no transaction between the said company and the Fund or the Asset Management Company. There is also no transaction between related parties of the said company and related parties of the Fund or the Asset Management Company.
Status of Related Parties	The said company is not considered a directly associating party of the Fund. However, as stated above, the said company is a Related Party of the Asset Management Company as it is a fellow subsidiary.
Commission	¥690 thousand (excluding consumption taxes and local consumption taxes)



7. Form of Payment, etc.

On the scheduled date of disposition, the Fund will receive from the transferee the entire purchase price of the Site to Be Sold in a lump sum. The Fund plans to use the cash obtained through the disposition for portfolio management including repayment of borrowings and future acquisition of properties.

8. Schedule for the Disposition

July 26, 2019	Conclusion of the purchase and sale agreement for sale of the Site to Be Sold and disposition of the Site to Be Sold (delivery of real estate)
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9. Forecast of Financial Results

NMF intends to classify expected proceeds from the disposition as retained earnings for the purposes of ensuring stable asset management and maintaining a steady stream of distributions. The impact of the disposition on the status of asset management throughout the fiscal period ending August 31, 2019 (March 1, 2019 to August 31, 2019) and the fiscal period ending February 29, 2020 (September 1, 2019 to February 29, 2020) is insignificant. Accordingly, NMF made no revision to its performance forecasts for these period.

