



For Translation Purposes Only

April 7, 2015

For Immediate Release

Nomura Real Estate Master Fund, Inc.
Satoshi Yanagita, Executive Director
(Securities Code: 3285)

Asset Management Company:
Nomura Real Estate Asset Management Co., Ltd.
Norio Ambe, President and Chief Executive Officer
Inquiries: Motomi Uki, General Manager, NMF Investment Management
TEL: +81-3-3365-8767
EMAIL: nmf3285@nomura-re.co.jp

Notice Concerning Transfer of a Property

Nomura Real Estate Master Fund, Inc. (“Nomura Master Fund” or the “Fund”) announced today that Nomura Real Estate Asset Management Co., Ltd. (“the Asset Management Company”), the asset management company for the Fund, has determined the transfer of the asset, as stated below.

1. Summary of Assets scheduled to be Transferred

- | | |
|---|---|
| (1) Type of Asset: | Trust beneficiary interest in mainly real estate |
| (2) Property Name: | Mitsubishi Motors Ibaraki Maintenance Center |
| (3) Transfer Price (Note 1): | ¥1,133 million |
| (4) Book Value (Note 2): | ¥829 million |
| (5) Difference between Transfer Price and Book Value: | ¥303 million |
| (6) Scheduled Date of Agreement: | April 30, 2015 (date of agreement on purchase and sale of beneficial interest in real estate trust) |
| (7) Scheduled Transfer Date: | Early September, 2015 (date of delivery of beneficial interest in real estate trust) |
| (8) Transferee: | Refer to “4. Transferee Profile” below |
| (9) Form of Payment | Deposit of 10% of transfer price paid at time of agreement, remaining amount paid at time of transfer |

(Note 1) Excluding property taxes and urban planning taxes

(Note 2) The book value is a reference amount as of August 31, 2014, and the figures may differ as of the scheduled transfer date.

The asset to be transferred will be referred to as the “Property”, hereinafter.

2. Reason for Transfer of the Property

The Fund decided to transfer the Property resulted from its overall consideration of the earnings outlook, increase/decrease in asset value, and the current price of the Property, and the comprehensive consideration of the area allocation of the portfolio (increase of Tokyo area ratio) and the tenant diversification.

3. Property Summary for the Assets Scheduled to be Transferred

Property Name		Mitsubishi Motors Ibaraki Maintenance Center				
Type of Asset		Trust beneficiary interest in mainly real estate				
Trustee		Mitsubishi UFJ Trust and Banking Corporation				
Term of Trustee Agreement		From March 31, 2004 to June 30, 2023				
Location (Note 1)	Registry	635-1 Misaki-cho, Ibaraki-City, Osaka, and others				
	Street	5-17 Misaki-cho, Ibaraki-City, Osaka				
Area (Note 1)	Land	5,704.24 m ²				
	Building	-				
Type of Ownership	Land	Ownership				
	Building	-				
Acquisition Date		June 13, 2013 (Note 2)				
Scheduled Transfer Date		Early September, 2015				
Transfer Price		¥1,133 million				
Book Value(Note 3)		¥829 million				
Appraisal Value		¥908 million (Appraiser: Daiwa Real Estate Appraisal Corporation) (Appraisal value as of March 20, 2015)				
Leasing Status (as of April 7, 2015)						
Total Number of Tenants		1				
Total Rental Income		Undisclosed (Note 4)				
Security Deposits		Undisclosed (Note 4)				
Total Leased Floor Space		5,704.24 m ²				
Total Leasable Floor Space		5,704.24 m ²				
Occupancy Rates in the Past		February 28, 2011	February 29, 2012	February 28, 2013	February 28, 2014	February 28, 2015
		100.0%	100.0%	100.0%	100.0%	100.0%

(Notes)

1. Location (Registry) and Several Other Items:
“Location (Registry)” and “Area” are based on the information in the real estate registry.
2. The date on which the Fund acquired the Property.
3. The book value is a reference amount as of August 31, 2014, and the figures may differ as of the scheduled transfer date.
4. Undisclosed as consent has not been obtained from the tenant.

4. Transferee Profile

As the Fund has not obtained an agreement with the transferee, who are Japanese General Operating Companies, this information is not disclosed. The transferee is not related parties under the Law Concerning Investment Trusts and Investment Corporations (Investment Trust Law) of the asset management company.

5. Brokerage Profile

As the Fund has not obtained an agreement with the brokerage agency, who is Japanese Limited Company, this information is not disclosed. There is no personnel involvement between the broker and the Fund or asset management company as of today. The broker is not Related Parties under the Investment Trust Law of the asset management company, however, broker is a unitholder of the Fund, General Administrator of the Fund, a lender of the Fund, and a trustee of the multiple properties held by the Fund.

6. Forecasts of Financial Results

As the transfer date of the Property is scheduled on early September, 2015, there is no impact to Nomura Master Fund's forecasts of financial results for the fiscal period ending February 28, 2015 (September 1, 2014 to February 28, 2015) and the fiscal period ending August 31, 2015 (March 1, 2015 to August 31, 2015), there is no revision to the forecast of financial results.

7. Appraisal Summary

Property Name	Mitsubishi Motors Ibaraki Maintenance Center
Appraisal Value	¥908,000,000
Appraiser	Daiwa Real Estate Appraisal Corporation
Appraisal Date	March 20, 2015

(Yen)		
Item	Amount or percentage	Grounds
Capitalization approach price	621,000,000	Assuming a building (logistics building) of the best use is built on the total land, calculating the direct capitalization approach price (transfer price) of assumed building and its land. Assumed capitalization approach price from present value of the transfer price deducting the present value of the construction cost of the assumed building and the cost of transfer.
Price calculated by the direct capitalization approach	1,760,000,000	Calculated by capitalization rate based on a normalized net cash flow (NCF)
(1) Operating income (a)-(b)	122,766,600	
(a) Gross rental income	122,766,600	Assumed based on market rents
(b) Losses due to vacancies, etc.	0	Not allocated from assuming long term contract
(2) Operating expenses	19,522,716	
Maintenance	0	Not allocated from assuming tenant obligation
Utilities costs	0	Not allocated from assuming tenant obligation
Repair costs	1,121,400	Assumed based on repair costs of similar properties
Property management fees	1,227,666	Assumed based on property management fee of similar properties
Advertisement for leasing, etc.	0	Not allocated from assuming long term contract
Taxes	16,519,500	Assumed based on the actual amount imposed in 2015 tax year for the land and assumed based on construction estimate for the building
Insurance premium	654,150	Assumed based on insurance premium of similar properties
Other expenses	0	
(3) Net operating income from leasing business (NOI=(1)-(2))	103,243,884	
(4) Profit through management of temporary deposits, etc.	1,636,888	Assumed based on yield of long term investment of financial assets, etc.
(5) Capital Expenditure Reserve	2,616,600	Assumed based on capital expenditure of similar properties
(6) Net Cash Flow (NCF = (3)+(4)-(5))	102,264,172	
(7) Capitalization rate	5.8%	Assumed based on the yield on investment of similar properties and the characteristics of the Property
Comparative Price	908,000,000	

Matters noted in reconciliation of indicated value and determination of appraisal value	Assuming the main demander of the land is the general operating companies for using by themselves demanding for logistics or factory use. On this appraisal, assumed the appraisal value of ¥908,000,000 from the comparative price that grasped an economic value focusing on marketability of the target real estate, and capitalization approach price as reference.
---	---

【Exhibit】

Exhibit Portfolio after the Transfer of the Properties

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

Portfolio after the Transfer of the Property

Use	Area (Note 1)	Property Name	Acquisition Price (Scheduled) (million yen) (Note 2)	Percentage to Total (%) (Note 3)	Date of Acquisition (Scheduled)
Logistics	Greater Tokyo	Landport Urayasu	17,400	6.6	June 14, 2013
		Landport Itabashi	15,710	5.9	June 14, 2013
		Landport Kawagoe	13,700	5.2	July 31, 2013
		Landport Atsugi	11,410	4.3	June 14, 2013
		Kawaguchi Ryoke Logistics Center	10,790	4.1	July 1, 2015
		Sagamihara Tana Logistics Center	10,600	4.0	July 19, 2013
		Sagamihara Onodai Logistics Center	8,700	3.3	June 14, 2013
		Landport Hachioji	8,250	3.1	June 14, 2013
		Landport Kasukabe	7,340	2.8	June 14, 2013
		Funabashi Logistics Center	4,660	1.8	June 14, 2013
		Atsugi-Minami Logistics Center B Tower	4,590	1.7	June 14, 2013
		Hanyu Logistics Center	3,810	1.4	June 14, 2013
		Kawaguchi Logistics Center B Tower	3,750	1.4	June 14, 2013
		Kawaguchi Logistics Center A Tower	2,830	1.1	June 14, 2013
	Atsugi-Minami Logistics Center A Tower	2,690	1.0	June 14, 2013	
	Other areas	Ota Nitta Logistics Center	3,430	1.3	June 14, 2013
		Ota Higashi-Shinmachi Logistics Center	2,170	0.8	June 14, 2013
Ota Kiyohara Logistics Center		650	0.2	June 14, 2013	
Chiyodamachi Logistics Center		330	0.1	June 14, 2013	
Logistics Sub-total			132,810	50.0	-
Retail	Greater Tokyo	Morisia Tsudanuma	16,600	6.3	June 14, 2013
		Yokosuka More's City	13,640	5.1	June 14, 2013
		Recipe SHIMOKITA	10,407	3.9	December 13, 2013
		Kawasaki More's	4,000	1.5	June 14, 2013
			2,080	0.8	December 19, 2014
		EQUINIA Shinjuku	4,260	1.6	June 14, 2013
		EQUINIA Ikebukuro	3,990	1.5	June 14, 2013
		covirna Machida	3,440	1.3	June 14, 2013
		Nitori Makuhari	3,080	1.2	June 13, 2013
		Konami Sports Club Fuchu	2,730	1.0	June 13, 2013
		FESTA SQUARE	2,600	1.0	June 13, 2013
		GEMS Shibuya	2,490	0.9	July 31, 2013
		Sundai Azamino	1,700	0.6	June 14, 2013
		EQUINIA Aobadai	1,560	0.6	June 14, 2013
		Megalos Kanagawa	1,000	0.4	June 13, 2013
	Kinki Area	Universal CityWalk Osaka	15,500	5.8	September 30, 2014
		Izumiya Senrioka	8,930	3.4	June 13, 2013
		Merad Owada	6,640	2.5	June 13, 2013
		Izumiya Yao	4,406	1.7	June 13, 2013
		Izumiya Obayashi	3,020	1.1	June 13, 2013
	Other areas	Ichibancho Stear	4,700	1.8	June 14, 2013
		EQUINIA Aobadori	1,640	0.6	June 14, 2013
Retail (land with leasehold interest)	Greater Tokyo	Mitsubishi Motors Meguro	2,740	1.0	June 13, 2013
		Mitsubishi Motors Chofu	1,760	0.7	June 13, 2013
		Mitsubishi Motors Shibuya	1,570	0.6	June 13, 2013
		Mitsubishi Motors Nerima	1,240	0.5	June 13, 2013
		Mitsubishi Motors Kawasaki	950	0.4	June 13, 2013
		Mitsubishi Motors Takaido	850	0.3	June 13, 2013
		Mitsubishi Motors Katsushika	800	0.3	June 13, 2013
		Mitsubishi Motors Higashi-Kurume	800	0.3	June 13, 2013
		Mitsubishi Motors Setagaya	770	0.3	June 13, 2013
		Mitsubishi Motors Suginami	740	0.3	June 13, 2013
		Mitsubishi Motors Sekimachi	600	0.2	June 13, 2013
		Mitsubishi Motors Higashi-Yamato	450	0.2	June 13, 2013
		Mitsubishi Motors Motosumiyoshi	370	0.1	June 13, 2013
		Mitsubishi Motors Kawagoe	350	0.1	June 13, 2013
		Mitsubishi Motors Edogawa	200	0.1	June 13, 2013
		Mitsubishi Motors Sayama	160	0.1	June 13, 2013
Retail Sub-total			132,763	50.0	-
Total			265,573	100.0	-

Investment Securities	Greater Tokyo	Ryoke Capital Godo Kaisha Silent Partnership Equity Interest (Note 4)	500	-	March 25, 2014
	Kinki Area	Godo Kaisha Osaka Hirakata Project Partnership Equity Interest	100	-	March 30, 2015

(Note 1) “Greater Tokyo” refers to Tokyo Prefecture, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture. “Kinki Area” refers to Osaka Prefecture, Kyoto Prefecture, Hyogo Prefecture and Nara Prefecture. “Chukyo Area” refers to Aichi Prefecture, Gifu Prefecture and Mie Prefecture. “Other Areas” refers to cabinet-order designated cities, prefectural capitals, and cities having a population of at least 100,000 and their peripheral areas, excluding Greater Tokyo, Kinki Area and Chukyo Area.

(Note 2) The Acquisition Price is the amount (the amount of transaction payment of real estate, etc. described in the sales agreement with condition precedent and the investment amount described in the Silent Partnership Agreement) excluding costs required to acquire the properties, etc. and the Silent Partnership Equity Interest (transaction brokerage fee, taxes and public dues, etc.).

(Note 3) “Percentage to Total” indicates the ratio of the acquisition price of respective properties to the total acquisition price of the entire portfolio (56 properties in total). The calculation of investment ratio excludes the Silent Partnership Equity Interest. Furthermore, as the figures were rounded to the first decimal place, the total may not necessarily be 100%.

(Note 4) In line with the acquisition of the asset to be acquired by Nomura Master Fund, Ryoke Capital Godo Kaisha is planned to be dissolved. The Fund is to receive settlement money in accordance with the silent partnership equity interest.