



For Translation Purposes Only

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For Immediate Release

Nomura Real Estate Office Fund, Inc.
8-5-1 Nishi Shinjuku, Shinjuku-ku, Tokyo
Yasutoshi Akiyama
Representative and Executive Director
(Securities Code: 8959)

Inquiries:
Nomura Real Estate Asset Management Co., Ltd.
Atsushi Ogata
Fund Management Group
TEL: +81-3-3365-0507

Notice Concerning Debt Financing and Repayment

Nomura Real Estate Office Fund, Inc. (“Nomura Office Fund” or the “Fund”) today announced that the Fund decided and procured debt financing. On the same date the Fund also repaid debt financing as stated below.

【Debt Financing】

1. Purpose

Nomura Office Fund has decided and procured the debt financing for the payment for acquiring Nishi-Shinjuku Showa Building, Sendai Chowa Building, Osaka Chowa Building and Hiroshima Chowa Building. (For the information about the acquisition of Nishi-Shinjuku Showa Building, Sendai Chowa Building, Osaka Chowa Building and Hiroshima Chowa Building, please refer to the press releases dated November 29, 2005.)

2. Details of Debt Financing

(1) Short-term Borrowings (Term for 6 months)

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|----------------------------|---|---|
| 1. Lenders | : | UFJ Bank Limited, Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi, Ltd., Mizuho Corporate Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Sumitomo Trust & Banking Co., Ltd., The Chuo Mitsui Trust and Banking Company, Limited, The Nomura Trust and Banking Co., Ltd., The Hachijuni Bank, Ltd., The Yamanashi Chuo Bank, Ltd., The Chugoku Bank, Ltd., The Hiroshima Bank, Ltd., The Iyo Bank, Ltd., The Bank of Fukuoka, Ltd., and Aozora Bank, Ltd. |
| 2. Amount | : | ¥16,000 million |
| 3. Interest Rate | : | 0.39% (p.a.) |
| 4. Scheduled Drawdown Date | : | November 29, 2005 |
| 5. Loan Type | : | Borrowings based on the Term Loan Agreement concluded on November 24, 2005 (6 month; variable interest rate) |
| 6. Interest Payment Date | : | Same date as the Repayment Date |

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|-----------------------|---|---|
| 7. Terms of Repayment | : | Lump-sum repayment on the Repayment Date |
| 8. Repayment Date | : | May 29, 2006 (or the following business day if such date is a non-business day) |
| 9. Collateral | : | Unsecured, unguaranteed |

(2) Long-term Borrowings (Term for 7 years)

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|----------------------------|---|---|
| 1. Lenders | : | Mitsui Life Insurance Co., Ltd., Taiyo Life Insurance Company, Daido Life Insurance Company, National Mutual Insurance Federation of Agricultural Cooperatives, and Development Bank of Japan |
| 2. Amount | : | ¥5,000 million |
| 3. Interest Rate | : | 1.4375% (p.a.) |
| 4. Scheduled Drawdown Date | : | November 29, 2005 |
| 5. Loan Type | : | Borrowings based on the Term Loan Agreement concluded on November 24, 2005 (7 years; fixed interest rate) |
| 6. Interest Payment Date | : | Same date as the Repayment Date |
| 7. Terms of Repayment | : | Lump-sum repayment on the Repayment Date |
| 8. Repayment Date | : | August 26, 2012 (or the following business day if such date is a non-business day) |
| 9. Collateral | : | Unsecured, unguaranteed |

3. Use of Funds

Loan proceed is to be used for the payment for the acquisition of Nishi-Shinjuku Showa Building, Sendai Chowa Building, Osaka Chowa Building and Hiroshima Chowa Building, and for the payment to be applied to a part of related expenses.

【Repayment of Debt Financing】

1. Purpose

Nomura Office Fund has made the advanced repayment on the debt financing of ¥11 billion by the fund raised at the public offering of investment corporation bonds undertaken in November 2005, for the purpose to retain the Fund's financial policy of having long-term, fixed-rate borrowings and the dispersion of repayment dates. The Fund also repaid the debt financing of ¥3 billion on the scheduled maturity date. (For the information about the issue of the investment corporation bonds, please refer to the press release dated November 11, 2005.)

2. Details of Repayment

(1) Short-term Borrowings (Term for 3 months)

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|-------------------|---|---|
| 1. Lender | : | UFJ Bank Limited, Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Sumitomo Trust & Banking Co., Ltd., and The Norinchukin Bank |
| 2. Amount | : | ¥11,000 million |
| 3. Loan Type | : | Borrowings based on the Commitment Line Agreement concluded on June 9, 2005 (Amount: up to ¥20 billion) |
| 4. Repayment Date | : | November 29, 2005 |

Note

The details of the borrowings based on the Commitment Line Agreement, released on September 28, 2005 titled "Notice Concerning Concluding Commitment Line Agreement", is as follows:

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|-----------------------|--|
| - Amount: | ¥11,000 million |
| - Interest rate: | 0.49% (p.a.) |
| - Drawdown Date: | September 28, 2005 |
| - Terms of Repayment: | Lump-sum repayment on the repayment date |
| - Maturity Date: | December 28, 2005 |
| - Collateral: | Unsecured, unguaranteed |

(2) Short-term Borrowings (Term for 5 months)

1. Lender : UFJ Bank Limited, Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Sumitomo Trust & Banking Co., Ltd., and The Norinchukin Bank
2. Amount : ¥3,000 million
3. Loan Type : Borrowings based on the Commitment Line Agreement concluded on June 9, 2005 (Amount: up to ¥20 billion yen)
4. Repayment Date : November 29, 2005

Note

The details of the borrowings based on the Commitment Line Agreement, released on June 29, 2005 titled “Notice Concerning Debt Financing”, is as follows:

- Amount: ¥3,000 million
- Interest rate: 0.49083% (p.a.)
- Drawdown Date: June 29, 2005
- Terms of Repayment: Lump-sum repayment on the repayment date
- Maturity Date: November 29, 2005
- Collateral: Unsecured, unguaranteed

The updated table of debt financing: <http://www.nre-of.co.jp/english/zaimu/money/index.html>

【Note】 Translation for Appendix is omitted.