



NOMURA
Residential Fund

For Translation Purposes Only

February 28, 2008

For Immediate Release

Nomura Real Estate Residential Fund, Inc.
Nobuyuki Hamada, Representative and Executive Director
(Securities Code: 3240)

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Notice Concerning Debt Financing

Nomura Real Estate Residential Fund, Inc. (“Nomura Residential Fund” or the “Fund”) announced today the closing of debt financing as mentioned below.

1. Reasons for Debt Financing

The Fund has decided to procure loans in order to pay for the acquisition of assets.

2. Details of Debt Financing

Short-term Loan (10-month)

- | | |
|---------------------------|---|
| (1) Lenders | : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mitsubishi UFJ Trust and Banking Corporation |
| (2) Amount | : ¥2,216 million |
| (3) Interest Rate | : 1.12500% p.a.
(Applicable Interest Rate Term: February 28, 2008 to December 26, 2008) |
| (4) Date of Loan | : February 28, 2008 |
| (5) Type of Loan | : Loan based on the uncommitted line of credit loan agreement, contracted on February 22, 2008. |
| (6) Interest Payment Date | : Same as the date of repayment. |
| (7) Terms of Repayment | : Lump sum on the date of repayment. |
| (8) Date of Repayment | : December 26, 2008 (or the following business day if the said date is a non-business day, or the prior business day if the following business day is in the next month). |
| (9) Collateral | : Unsecured, Unguaranteed |

3. Use of Funds

Loan proceeds will be used in order to pay for the acquisition of certain assets and a part of the related expenses.

Attachments:

Reference Material “Status of Interest Bearing Debts after Debt Financing”

[Reference Material]

Status of Interest Bearing Debts after Debt Financing

(Millions of Yen)

	Before today's Debt Financing	After today's Debt Financing	Increase/Decrease
Short-term Loan	3,360	5,576	+2,216
Long-term Loan	37,720	37,720	—
Loan Total	41,080	43,296	+2,216
Investment Corporation Bonds	—	—	—
Interest Bearing Debt Total	41,080	43,296	+2,216