



NOMURA
Residential Fund

For Translation Purposes Only

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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. Reason for Debt Financing

The Fund has decided to procure the loan in order to repay current outstanding loans.

2. Details of Debt Financing

- (1) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd., The Sumitomo Trust and Banking Co., Ltd., Mitsubishi UFJ Trust and Banking Corporation
- (2) Amount : ¥5,472 million
- (3) Interest Rate : 1.32500% p.a.
(Applicable Interest Rate Term: September 29, 2008 to February 27, 2009)
- (4) Date of Loan : September 29, 2008
- (5) Type of Loan : Term Loan
(5-year Floating Interest Rate, contracted on September 25, 2008)
- (6) Interest Payment Date : February 28, 2009 for the first payment, every August 29 and February 28 thereafter until September 29, 2013 (except regarding February 2012, which will be on February 29) and September 29, 2013 (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).
- (7) Terms of Repayment : Lump sum on the date of repayment.
- (8) Date of Repayment : September 29, 2013 (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

Specifics : Loan proceeds will be used in order to repay current outstanding loans of ¥54.72 billion, scheduled on September 29, 2008, according to the loan agreement.

4. 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	20,616	15,144	-5,472
Long-term Loan	46,620	52,092	+5,472
Loan Total	67,236	67,236	—
Investment Corporation Bonds	—	—	—
Interest Bearing Debt Total	67,236	67,236	—