



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. Reasons for Debt Financing

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

2. Details of Debt Financing

(1) Long-term Loan (1-year 6-month)

- (a) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Iyo Bank, Ltd.
- (b) Amount : ¥10,096 million
- (c) Interest Rate : 1.30167% p.a.
(Applicable Interest Rate Term: December 26, 2008 to February 26, 2009)
- (d) Date of Loan : December 26, 2008
- (e) Type of Loan : Term Loan
(1-year 6-month Floating Interest Rate, contracted on December 24, 2008)
- (f) Interest Payment Date : February 26, 2009 for the first payment, every August 26 and February 26 thereafter until June 26, 2010, and June 26, 2010 (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).
- (g) Terms of Repayment : Lump sum on the date of repayment.
- (h) Date of Repayment : June 26, 2010 (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).
- (i) Collateral : Unsecured, Unguaranteed

(2) Long-term Loan (3-year)

- (a) Lenders : Sumitomo Mitsui Banking Corporation, The Nomura Trust and Banking Co., Ltd.
- (b) Amount : ¥5,048 million
- (c) Interest Rate : 1.39667% p.a.
(Applicable Interest Rate Term: December 26, 2008 to February 26, 2009)
- (d) Date of Loan : December 26, 2008
- (e) Type of Loan : Term Loan
(3-year Floating Interest Rate, contracted on December 24, 2008)
- (f) Interest Payment Date : February 26, 2009 for the first payment, every August 26 and February 26 thereafter until December 26, 2011, and December 26, 2011 (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).
- (g) Terms of Repayment : Lump sum on the date of repayment.
- (h) Date of Repayment : December 26, 2011 (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).
- (i) Collateral : Unsecured, Unguaranteed

3. Use of Funds

- Specifics : Loan proceeds will be used in order to repay current outstanding loans of ¥151.44 billion, scheduled on December 26, 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	17,464	2,320	-15,144
Long-term Loan	52,092	67,236	+15,144
Loan Total	69,556	69,556	—
Investment Corporation Bonds	—	—	—
Interest Bearing Debt Total	69,556	69,556	—