



NOMURA
Residential Fund

For Translation Purposes Only

March 2, 2009

For Immediate Release

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

Asset Management Company:
Nomura Real Estate Asset Management Co., Ltd.
Tatsuo Inoue, President and Chief Executive Officer
Inquiries: Masatomi Natsume, Director
Residential Management Division
TEL: +81-3-3365-7729

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 pay for the acquisition of specified assets.

2. Details of Debt Financing

- | | | |
|---------------------------|---|---|
| (1) Lenders | : | The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mitsubishi UFJ Trust and Banking Corporation |
| (2) Amount | : | ¥2,240 million |
| (3) Interest Rate | : | 1.35833% p.a.
(Applicable Interest Rate Term: March 2, 2009 to February 26, 2010) |
| (4) Date of Loan | : | March 2, 2009 |
| (5) Type of Loan | : | Loan based on the uncommitted line of credit loan agreement, contracted on February 25, 2009. |
| (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 | : | February 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). |
| (9) Collateral | : | Unsecured, Unguaranteed |

3. Use of Funds

(1) Specifics : Loan proceeds will be used in order to pay for the acquisitions of PRIME URBAN Chitose Funabashi, PRIME URBAN Shinyurigaoka, and a part of the related expenses.

(2) Scheduled Date of Use : March 2009

4. Status of Interest Bearing Debts after Debt Financing

(Millions of Yen)

	Before today's Debt Financing (Note)	After today's Debt Financing	Increase/Decrease
Short-term Loan	2,320	4,560	+2,240
Long-term Loan Due Within One Year (Note)	4,500	4,500	—
Long-term Loan	62,736	62,736	—
Loan Total	69,556	71,796	+2,240
Investment Corporation Bonds	—	—	—
Interest Bearing Debt Total	69,556	71,796	+2,240

(Note) Based on the Fourth Fiscal Period End (ended November 2008).