



NOMURA
Residential Fund

For Translation Purposes Only

August 25, 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. Reasons for Debt Financing

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

2. Details of Debt Financing

(1) Long-term Loan (3-Year)

- (a) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mitsubishi UFJ Trust and Banking Corporation, The Sumitomo Trust and Banking Co., Ltd., Mizuho Corporate Bank, Ltd.
- (b) Amount : ¥2,600 million
- (c) Interest Rate : 1.46455% p.a.
(Applicable Interest Rate Term: August 27, 2009 to February 26, 2010)
- (d) Date of Loan : August 27, 2009
- (e) Type of Loan : Term Loan
(3-year Floating Interest Rate, contracted on August 25, 2009)
- (f) Interest Payment Date : February 27, 2010 for the first payment, and every August 27 and February 27 thereafter until August 27, 2012 (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 : August 27, 2012 (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 (7-Year)

- (a) Lenders : Development Bank of Japan, Inc.
- (b) Amount : ¥1,600 million
- (c) Interest Rate : 2.10000% p.a.
- (d) Date of Loan : August 27, 2009
- (e) Type of Loan : Term Loan
(7-year Fixed Interest Rate, contracted on August 25, 2009)
- (f) Interest Payment Date : February 27, 2010 for the first payment, and every August 27 and February 27 thereafter until August 27, 2016 (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 : Repayment of ¥40 million every Date of Repayment from February 27, 2010 to February 27, 2016, and the repayment of ¥1,080 million on August 27, 2016, the Final Date of Repayment.
- (h) Date of Repayment : Same as the Interest Payment Date.
- (i) Collateral : Unsecured, Unguaranteed

3. Use of Funds

- Specifics : Loan proceeds will be used in order to repay a part of the ¥4,500 loan, scheduled for repayment on August 27, 2009, 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	5,760	5,760	—
Long-term Loan Due Within One Year (Note)	9,940	5,440	- 4,500
Long-term Loan	57,296	61,496	+4,200
Loan Total	72,996	72,696	-300
Investment Corporation Bonds	—	—	—
Interest Bearing Debt Total	72,996	72,696	-300

(Note) Based on the Fifth Fiscal Period End (ended May 31, 2009).