



NOMURA
Residential Fund

For Translation Purposes Only

October 30, 2009

For Immediate Release

Nomura Real Estate Residential Fund, Inc.
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(Securities Code: 3240)

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Notice Concerning Repayment of Debt Financing

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

1. Reason for Repayment

The Fund has decided to use fund in hand to prepay a total of ¥1,720 million in loans, in order to carry out its conservative financial strategy.

2. Details of Repayment

(1) Short-term Loan

- (a) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Banking Corporation, Mitsubishi UFJ Trust and Banking Corporation
- (b) Amount : ¥720 million
- (c) Type of Loan : Loan based on the uncommitted line of credit loan agreement, contracted on February 22, 2008 (Note)
- (d) Date of Repayment : October 30, 2009

(Note) The details of the loan are as follows. Also, the stated loan based on the uncommitted line of credit loan agreement was announced in the “Notice Concerning Debt Financing” released on December 18, 2008.

- (a) Amount : ¥720 million
- (b) Interest Rate : 1.15250% p.a.
(Applicable Interest Rate Term: December 18, 2008 to December 3, 2009)
- (c) Date of Loan : December 18, 2008
- (d) Terms of Repayment : Lump sum on the date of repayment.
- (e) Date of Repayment : December 3, 2009
- (f) Collateral : Unsecured, Unguaranteed

(2) Long-term Loan

- (a) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Mitsubishi UFJ Trust and Banking Corporation, The Iyo Bank, Ltd.
- (b) Amount : ¥1,000 million
- (c) Type of Loan : Loan based on the term loan agreement, contracted on December 24, 2008 (Note)
- (d) Date of Repayment : October 30, 2009

(Note) The details of the loan are as follows. Also, the stated loan based on the term loan agreement was announced in the “Notice Concerning Debt Financing” released on December 24, 2008.

- (a) Amount : ¥10,096 million
- (b) Interest Rate : 1.21955% p.a.
(Applicable Interest Rate Term: August 27, 2009 to February 26, 2010)
- (c) Date of Loan : December 26, 2008
- (d) Terms of Repayment : Lump sum on the date of repayment.
- (e) 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).
- (f) Collateral : Unsecured, Unguaranteed

3. Status of Interest Bearing Debts after Prepayment

(Millions of Yen)

	Before today's Debt Financing (Note)	After today's Debt Financing	Increase/Decrease
Short-term Loan	5,760	5,040	-720
Long-term Loan Due Within One Year (Note)	5,440	5,440	—
Long-term Loan	61,496	60,496	-1,000
Loan Total	72,696	70,976	-1,720
Investment Corporation Bonds	—	—	—
Interest Bearing Debt Total	72,696	70,976	-1,720

(Note) Based on the end of the 5th Fiscal Period (May 31, 2009).

4. Forecast

As the influence of the repayments on the status of management is minor, the forecast for the sixth fiscal period (June 1, 2009 to November 30, 2009) has not been changed.