



NOMURA  
Residential Fund

For Translation Purposes Only

December 14, 2009

**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 the loan in order to pay for the acquisition of 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                | : ¥2,840 million  |
| (3) Interest Rate         | : 1.02364% p.a.<br>(Applicable Interest Rate Term: December 14, 2009 to February 26, 2010)  |
| (4) Date of Loan          | : December 14, 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 acquisition of PROUD FLAT Kamata II, PROUD FLAT Asakusa Komagata, URBAN STASGE Shibaura LOFT, and URBAN STAGE Nihonbashi Yokoyamacho and a part of the related expenses.

(Note) For further details of each asset, refer to the "Notice Concerning Property Acquisition" released on November 18, 2009.

- (2) Scheduled Date of Use : December 2009

### 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	3,440	6,280	+ 2,840
Long-term Loan Due Within One Year (Note)	5,440	5,440	—
Long-term Loan	62,096	62,096	—
Loan Total	70,976	73,816	+ 2,840
Investment Corporation Bonds	—	—	—
Interest Bearing Debt Total	70,976	73,816	+ 2,840

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

### 5. Other

There are no significant changes in the 'Investment Risks' stated in the Securities Report, filed on August 28, 2009, regarding the risks of the said loan repayment.