



NOMURA
Residential Fund

For Translation Purposes Only

December 21, 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 the Determination of the Number of
New Investment Units Issued Through the Third-Party Allotment**

Nomura Real Estate Residential Fund, Inc. (“Nomura Residential Fund” or the “Fund”) has been notified that the subscriber will subscribe all of the anticipated number of new investment units issued through the third-party allotment as mentioned below, which was resolved, along with the Public Offerings of Newly Issued Investment Units (Primary Offering) and the Secondary Offering (Over-Allotment), at the Board of Directors Meetings held on November 18, 2009 and November 30, 2009.

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|--|-----------------------------|
| (1) Number of New Units Offered: | 1,370 Units |
| (Anticipated Number of Units Offered: | 1,370 Units) |
| (2) Total Amount of Issue Price: | ¥382,362,890 |
| | (¥279,097 per Unit) |
| (3) Application Period (Application Date): | December 22, 2009 (Tue) |
| (4) Payment Date: | December 24, 2009 (Thu) |
| (5) Subscriber: | Nomura Securities Co., Ltd. |

Note: This document is a public announcement regarding the determination of the number of new investment units issued through a third-party allotment and has not been prepared as an inducement or invitation for investment.

[Related Information]

1. The new investment units issued through the Third-Party Allotment, mentioned above were resolved at the Board of Directors Meetings held on November 18, 2009 and November 30, 2009 when the Public Offerings of Newly Issued Investment Units (Primary Offering) and the Secondary Offering (Over-Allotment) were also resolved.
For further details on the said Third-Party Allotment, refer to the “Notice Concerning the Issue of New Investment Units and the Secondary Offering” released on November 18, 2009 and the “Notice Concerning Determination of the Price for the Issue of New Investment Units and the Secondary Offering” released on November 30, 2009.

2. Number of Investment Units After the Issue of New Investment Units

Total Number of Current Investment Units:	124,165	Units
Number of Increase in Investment Units:	1,370	Units
Total Number of Investment Units After the New Issue (Third-Party Allotment) of Investment Units:	125,535	Units

3. Use of Proceeds
The net proceeds obtained from the Third-Party Allotment (¥382,362,890), along with the net proceeds obtained from the Primary Offering (¥7,647,257,800), will be used for the acquisition of the specified assets that the Fund is scheduled to acquire, stated in the “Notice Concerning Property Acquisition” released in November 18, 2009, and for a part of the repayment of the short-term loan (¥2,240,000,000).