



NOMURA
Residential Fund

For Translation Purposes Only

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For Immediate Release

Nomura Real Estate Residential Fund, Inc.
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(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. Reason for Debt Financing

The Fund has decided to procure loans in order to repay current outstanding loans.

2. Details of Debt Financing

(1) Long-term Loan (1-year 6-month)

- (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., The Nomura Trust and Banking Co., Ltd., The Chiba Bank, Ltd., Mizuho Corporate Bank, Ltd., Aozora Bank, Ltd.
- (b) Amount : ¥7,990 million
- (c) Interest Rate : 1.40727% p.a.
(Applicable Interest Rate Term: February 26, 2010 to August 26, 2010)
- (d) Date of Loan : February 26, 2010
- (e) Type of Loan : Term Loan (1-year 6-month Floating Interest Rate, contracted on February 24, 2010)
- (f) Interest Payment Date : August 26, 2010 for the first payment and every August 26 and February 26 thereafter until August 26, 2011 (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 26, 2011 (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 (5-year)

- (a) Lenders : The Bank of Fukuoka, Ltd.
- (b) Amount : ¥1,000 million
- (c) Interest Rate : 1.53727% p.a.
(Applicable Interest Rate Term: February 26, 2010 to August 26, 2010)
- (d) Date of Loan : February 26, 2010
- (e) Type of Loan : Term Loan
(5-year Floating Interest Rate, contracted on February 24, 2010)
- (f) Interest Payment Date : August 26, 2010 for the first payment and every August 26 and February 26 thereafter until February 26, 2015 (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 : February 26, 2015 (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

(3) Long-term Loan (7-year)

- (a) Lenders : Development Bank of Japan, Inc.
- (b) Amount : ¥2,000 million
- (c) Interest Rate : 2.03000% p.a.
- (d) Date of Loan : February 26, 2010
- (e) Type of Loan : Term Loan
(7-year Fixed Interest Rate, contracted on February 24, 2010)
- (f) Interest Payment Date : August 26, 2010 for the first payment and every August 26 and February 26 thereafter until February 26, 2017 (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 : A repayment of ¥50 million every Date of Repayment from August 26, 2010 to August 26, 2016, and ¥1,350 million on February 26, 2017, the last Date of Repayment.
- (h) Date of Repayment : Same as Interest Payment Date mentioned above.
- (i) Collateral : Unsecured, Unguaranteed

3. Use of Funds

- Specifics : Loan proceeds will be used in order to repay current outstanding loans of ¥11,720 million, scheduled on February 26, 2010 and February 27, 2010, according to the loan agreement.

4. Status of Interest Bearing Debts after Debt Financing and Repayment

(Millions of Yen)

	Before today's Debt Financing and Repayment (Note 1)	After today's Debt Financing and Repayment	Increase/Decrease
Short-term Loan	6,280	—	-6,280
Long-term Loan Due Within One Year (Note 2)	14,576	9,136	-5,440
Long-term Loan	52,920	63,910	+10,990
Loan Total	73,776	73,046	-730
Investment Corporation Bonds	—	—	—
Interest Bearing Debt Total	73,776	73,046	-730

(Note 1) Numbers based on the assumption that the repayment of other loans due on February 26, 2010, not mentioned in "3." above, will be repaid.

(Note 2) Based on the end of the 6th Fiscal Period (November 30, 2009).

5. Other

There are no significant changes in the "Investment Risks" stated in the Securities Report, filed on February 23, 2010, regarding the risks of the said loan repayment.