



NOMURA
Residential Fund

For Translation Purposes Only

June 24, 2010

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. Reason for Debt Financing

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

2. Details of Debt Financing

- | | |
|---------------------------|--|
| (1) Lenders | : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation |
| (2) Amount | : ¥9,096 million |
| (3) Interest Rate | : 1.08000% p.a.
(Applicable Interest Rate Term: June 28, 2010 to August 26, 2010) |
| (4) Date of Loan | : June 28, 2010 |
| (5) Type of Loan | : Term Loan
(1-year 6-month Floating Interest Rate, contracted on February 24, 2010) |
| (6) Interest Payment Date | : August 26, 2010 for the first payment, every August 26 and February 26 thereafter until December 26, 2011, and December 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). |
| (7) Terms of Repayment | : Lump sum on the date of repayment. |
| (8) Date of Repayment | : December 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). |
| (9) Collateral | : Unsecured, Unguaranteed |

3. Use of Funds

Specifics : Loan proceeds will be used in order to repay current outstanding loans of ¥9,096 million, scheduled on December 26, 2011, 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	After today's Debt Financing and Repayment	Increase/Decrease
Short-term Loan	—	—	
Long-term Loan Due Within One Year (Note)	9,136	40	-9,096
Long-term Loan	63,910	79,006	+9,096
Loan Total	73,046	73,046	—
Investment Corporation Bonds	—	—	—
Interest Bearing Debt Total	73,046	73,046	—

(Note) 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.