



NOMURA
Residential Fund

For Translation Purposes Only

September 30, 2011

For Immediate Release

Nomura Real Estate Residential Fund, Inc.
Yoshinori Hirohata, Executive Director
(Securities Code: 3240)

Asset Management Company:
Nomura Real Estate Asset Management Co., Ltd.
Atsushi Ogata, President and Chief Executive Officer
Inquiries: Masatomi Natsume, Director
Residential Management Division
TEL: +81-3-3365-7729
EMAIL: nrf3240@nomura-re.co.jp

**Notice Concerning Changes in
Property Management and Master Lease Company**

Nomura Real Estate Residential Fund, Inc. (“Nomura Residential Fund” or the “Fund”) announced today that it has determined to change the property management and master lease company (the “PM/ML Company”), effective on December 1, 2011, as mentioned below.

1. Details of Change

Property Name (Location)	Old PM/ML Company	New PM/ML Company
PROUD FLAT Shirokane Takanawa (Minato-ku, Tokyo)	Tokyu Community Corp.	Nomura Living Support Co., Ltd.
PROUD FLAT Shibuya Sakuragaoka (Shibuya-ku, Tokyo)		
PROUD FLAT Gakugei Daigaku (Meguro-ku, Tokyo)		
PROUD FLAT Sumida Riverside (Chuo-ku, Tokyo)		
PROUD FLAT Kagurazaka (Shinjuku-ku, Tokyo)		
PROUD FLAT Waseda (Shinjuku-ku, Tokyo)		
PROUD FLAT Shinjuku Kawadacho (Shinjuku-ku, Tokyo)		
PROUD FLAT Sengen Jaya (Setagaya-ku, Tokyo)		
PROUD FLAT Kamata (Ota-ku, Tokyo)		
PROUD FLAT Shinotsuka (Toshima-ku, Tokyo)		
PROUD FLAT Kiyosumi Shirakawa (Koto-ku, Tokyo)		
PROUD FLAT Monzen Nakacho II (Koto-ku, Tokyo)		
PROUD FLAT Monzen Nakacho I (Koto-ku, Tokyo)		
PROUD FLAT Yokohama (Kanagawa-ku, Kanagawa)		
PROUD FLAT Yoyogi Uehara (Shibuya-ku, Tokyo)	Haseko Livenet, Inc.	
PROUD FLAT Hatsudai (Shibuya-ku, Tokyo)		
PROUD FLAT Meguro Gyoninzaka (Meguro-ku, Tokyo)		
PROUD FLAT Kamata II (Ota-ku, Tokyo)		
PROUD FLAT Asakusa Komagata (Taito-ku, Tokyo)		

(Note) The new PM/ML company is an affiliated company (100%) of Nomura Real estate Holdings, Inc., which has 100% ownership of Nomura Real Estate Asset Management Co., Ltd., the Fund’s asset management

company, and therefore, is a related party under the Law Concerning Investment Trust and Investment Corporation. The asset management company's Compliance Committee and Residence Management Division Investment Committee has deliberated and given its approval on the commission, fees, and other conditions of property management and the execution and conditions of the master lease agreement, according to the Residence Management Division Investment Committee Policy, the Compliance Policy, and Compliance Manual, etc.

2. Reason for Change

Through these changes, the PM/ML Companies for the PROUD FLAT series operated in the Greater Tokyo Area will be unified to Nomura Living Support Co., Ltd. Further strategic cooperation with Nomura Real Estate Group, the Fund's sponsor, will be able to be achieved not only through property provision, but also through the support of property management.

The PROUD FLAT series will also be provided "Living-Q-Call for Rent*," which includes benefits such as 24-hour emergency calls for problems regarding building maintenance and courtesy travel/recreation services, aiming to enhance tenant satisfaction and property competitiveness.

In addition to the leasing costs curtailed by posting on the Nomura Real Estate Group's rental residence leasing website, the PROUD FLAT series promises enhancement of brand value, promotion of property differentiation, and further growth of property performance.

*About "Living-Q-Call for Rent"

A service for tenants of rental apartment buildings developed by Nomura Living Support Co., Ltd., aiming to enhance tenant satisfaction. It consists of the "Speedy Service," an emergency call service available 24-hours for problems such as water or mechanical trouble within the units, and the "Club Off Service (Benefit Service)," a service which provides travel, recreation, and dining at special member prices.



[Speedy Service]

- 24-hour emergency call service and handling of trouble within the units
- Emergency Service: 24-hour service for water/window related trouble
 - Repair Service: Handle repair for electric/gas utilities

[Club Off Service]

- Make use of benefits for daily life or leisure time at a special member price
- Travel: Domestic resort hotels, ryokan, etc.
 - Recreation: Nationwide leisure facilities, hot-spring day trips, etc.
 - Dining: Restaurants, delivery service, etc.
 - Living: Other services which benefit daily life and leisure time