



NOMURA  
Residential Fund

For Translation Purposes Only

September 3, 2010

### For Immediate Release

Nomura Real Estate Residential Fund, Inc.  
Yoshinori Hirohata, 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 the loan in order to repay current outstanding loans.

#### 2. Details of Debt Financing

- (1) Lenders : Shinkin Central Bank
- (2) Amount : ¥1,720 million
- (3) Interest Rate : 1.28615% p.a.  
(Applicable Interest Rate Term: September 7, 2010 to August 28, 2011)
- (4) Date of Loan : September 7, 2010
- (5) Type of Loan : Term Loan  
(2-year Floating Interest Rate, contracted on September 3, 2010)
- (6) Interest Payment Date : February 28, 2011 for the first payment, every August 27 and February 27 thereafter until February 29, 2012, and the date of repayment (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 : August 27, 2012 (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 ¥1,720 million, scheduled on September 7, 2010, according to the credit 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	1,720	—	-1,720
Long-term Loan Due Within One Year (Note)	5,070	5,070	—
Long-term Loan	67,886	69,606	+1,720
Loan Total	74,676	74,676	—
Investment Corporation Bonds	—	—	—
Interest Bearing Debt Total	74,676	74,676	—

(Note) Based on the end of the 7th Fiscal Period (ended May 31, 2010).

### 5. Other

There are no significant changes in the "Investment Risks" stated in the Securities Report, filed on August 30, 2010, regarding the risks of the said loan repayment.