



**NOMURA**  
Residential Fund

For Translation Purposes Only

December 16, 2014

**For Immediate Release**

Nomura Real Estate Residential Fund, Inc.  
Shozo Matsumura, 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 pay for the acquisition of assets.

2. Details of Debt Financing

Long-term (2-years 11-months) Loan

- |                           |  |
|---------------------------|--|
| (1) Lenders               | : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Trust Bank, Ltd.,  |
| (2) Amount                | : ¥3,300 million   |
| (3) Interest Rate         | : Basic Interest Rate (JBA 1-month Japanese Yen TIBOR) +0.38% p.a.   |
| (4) Date of Loan          | : December 18, 2014  |
| (5) Type of Loan          | : Term Loan<br>(2-years 11-months floating interest rate, contracted on December 16, 2014)   |
| (6) Date of Repayment     | : November 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)   |
| (7) Interest Payment Date | : December 26, 2014 for the first payment, 26th day of every month thereafter until October 2017, 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) |
| (8) Terms of Repayment    | : Lump sum on the date of repayment  |
| (9) Collateral            | : Unsecured, Unguaranteed  |

Basic Interest Rate, which applies to the calculation period of the interest rate to be paid on the Interest Payment Date, will be determined two business days before the previous Interest payment Date (the first interest rate calculation period being the Date of Loan). Refer to Japanese Bankers Association website regarding the JBA Japanese Yen TIBOR. (<http://www.zenginkyo.or.jp/en/tibor/>)

#### Long-term (4-years 5-months) Loan

- (1) Lenders : Mitsui Sumitomo Insurance Company, Ltd.  
 (2) Amount : ¥1,100 million  
 (3) Interest Rate : 0.69894% p.a.  
 (4) Date of Loan : December 18, 2014  
 (5) Type of Loan : Term Loan  
 (4-years 5-months fixed interest rate, contracted on December 16, 2014)  
 (6) Date of Repayment : May 26, 2019 (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) Interest Payment Date : February 26, 2015 for the first payment, every 26th of February and August thereafter until February 2019, 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)  
 (8) Terms of Repayment : Lump sum on the date of repayment  
 (9) Collateral : Unsecured, Unguaranteed

### 3. Use of Funds

- (1) Specifics : Loan proceeds will be used in order to pay for the acquisition of PRIME URBAN Naka Meguro II, PRIME URBAN Nagahara Kamiikedai, PRIME URBAN Nishi Ogikubo II and a part of the related expenses.

(Note) For a profile of the properties, refer to the “Notice Concerning Property Acquisition,” released on December 2, 2014.

- (2) Scheduled Date of Use : December 2014

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

(Millions of Yen)

	Before	After	Increase/Decrease
Short-term Loan	—	—	—
Long-term Loan Due Within One Year (Note)	7,790	7,790	—
Short-term Loan Total	7,790	7,790	—
Long-term Loan (Note)	69,030	73,430	+4,400
Investment Corporation Bonds	10,000	10,000	—
Long-term Loan Total	79,030	83,430	+4,400
Interest Bearing Debt Total	86,820	91,220	+4,400

(Note) Based on the end of the 15th Fiscal Period (ended May 31, 2014).

5. Other

There are no significant changes in the “Investment Risks” stated in the Securities Report, filed on August 28, 2014, regarding the risks of the said loan repayment.