



For Translation Purposes Only



NOMURA  
Residential Fund

August 24, 2011

### 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 the loan in order to repay current outstanding loans.

#### 2. Details of Debt Financing

##### Long-term Loan (1-year)

- (1) 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 Chiba Bank, Ltd., Mizuho Corporate Bank, Ltd., Aozora Bank, Ltd.
- (2) Amount : ¥5,990 million
- (3) Interest Rate : Basic Interest Rate (JBA 1-month Japanese Yen TIBOR\*) +0.49% p.a.
- (4) Date of Loan : August 26, 2011
- (5) Type of Loan : Term Loan  
(1-year Floating Interest Rate, contracted on August 24, 2011)
- (6) Interest Payment Date : September 27, 2011 for the first payment, every 27th of each month thereafter until July 27, 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

### Long-term Loan (2-year 6-month)

- (1) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, The Nomura Trust and Banking Co., Ltd.
- (2) Amount : ¥1,700 million
- (3) Interest Rate : Basic Interest Rate (JBA 3-month Japanese Yen TIBOR\*) +0.565% p.a.
- (4) Date of Loan : August 26, 2011
- (5) Type of Loan : Term Loan  
(2-year 6-month Floating Interest Rate, contracted on August 24, 2011)
- (6) Interest Payment Date : November 27, 2011 for the first payment, every 27th of February, May, August, and November thereafter until November 27, 2013, 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 : February 27, 2014 (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

\*Refer to Japanese Bankers Association website (<http://www.zenginkyo.or.jp/en/tibor/>) regarding the JBA Japanese Yen TIBOR.

### 3. Use of Funds

- Specifics : Loan proceeds will be used in order to repay current outstanding loans of ¥7,990 million (the difference repaid through fund in hand), scheduled on August 26, 2011, according to the term 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 (Note 1)	Increase/ Decrease
Short-term Loan	—	—	—
Long-term Loan Due Within One Year (Note 2)	40,214	32,174	— 8,040
Long-term Loan	29,392	37,082	+7,690
Loan Total	69,606	69,256	— 350
Investment Corporation Bonds	5,000	5,000	—
Interest Bearing Debt Total	74,606	74,256	— 350

(Note 1) The figures after the scheduled repayments of current loans on August 26, 2011, other than the loans mentioned in “3. Use of Funds” are stated.

(Note 2) Based on the end of the 9th Fiscal Period (ended May 31, 2011).

### 5. Other

There are no significant changes in the “Investment Risks” stated in the Securities Report, filed on August 24, 2011, regarding the risks of the said loan repayment.