



NOMURA
Residential Fund

For Translation Purposes Only

December 16, 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.
Yoji Kurihara, President and Chief Executive Officer
Inquiries: Masatomi Natsume, NRF Chief Investment Officer
TEL: +81-3-3365-7729
EMAIL: nrf3240@nomura-re.co.jp

**Notice Concerning the Determination of the Number of
New Investment Units Issued Through the Third-Party Allotment**

Nomura Real Estate Residential Fund, Inc. (“Nomura Residential Fund” or the “Fund”) has been notified that the subscriber will subscribe all of the anticipated number of new investment units issued through the third-party allotment as mentioned below, which was resolved along with the Public Offerings of Newly Issued Investment Units (Primary Offering) and the Secondary Offering (Over-Allotment), at the Board of Directors Meetings held on November 14, 2011 and November 21, 2011.

- | | |
|--|--|
| (1) Number of New Units Offered: | 1,772 Units |
| | (Anticipated Number of Units Offered: 1,772 Units) |
| (2) Total Amount of Issue Price: | ¥499,617,172 |
| | (¥281,951 per Unit) |
| (3) Application Period (Application Date): | December 19, 2011 (Mon) |
| (4) Payment Date: | December 20, 2011 (Tue) |
| (5) Subscriber: | Nomura Securities Co., Ltd. |

Note: This document is a public announcement regarding the determination of the number of new investment units issued through a third-party allotment and has not been prepared as an inducement or invitation for investment.

[Related Information]

1. The new investment units issued through the Third-Party Allotment, mentioned above were resolved at the Board of Directors Meetings held on November 14, 2011 and November 21, 2011 when the Public Offerings of Newly Issued Investment Units (Primary Offering) and the Secondary Offering (Over-Allotment) were also resolved.
For further details on the said Third-Party Allotment, refer to the “Notice Concerning the Issue of New Investment Units and the Secondary Offering” released on November 14, 2011 and the “Notice Concerning Determination of the Price for the Issue of New Investment Units and the Secondary Offering” released on November 21, 2011.

2. Number of Investment Units After the Issue of New Investment Units

Total Number of Current Investment Units:	149,164	Units
Number of Increase in Investment Units:	1,772	Units
Total Number of Investment Units After the New Issue (Third-Party Allotment) of Investment Units:	150,936	Units

3. Use of Proceeds

The net proceeds obtained from the Third-Party Allotment (¥499,617,172), along with the net proceeds obtained from the Primary Offering (¥6,662,220,179), will be used for the acquisition of the specified assets that the Fund has acquired, stated in the “Notice Concerning Property Acquisition,” released on November 14, 2011.