



**NOMURA**  
Residential Fund

For Translation Purposes Only

February 25, 2014

**For Immediate Release**

Nomura Real Estate Residential Fund, Inc.  
Masatomi Natsume, 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

Long-term (7-years) Loan

- (1) Lenders : Taiyo Life Insurance Company
- (2) Amount : ¥2,000 million
- (3) Interest Rate : 1.17750% p.a.
- (4) Date of Loan : February 27, 2014
- (5) Type of Loan : Term Loan  
(7-years fixed interest rate, contracted on February 25, 2014)
- (6) Date of Repayment : February 26, 2021 (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 : August 26, 2014 for the first payment, every 26th of February and August thereafter until August 2020, 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

#### Long-term (7-years 6-months) Loan

- (1) Lenders : The Nomura Trust and Banking Co., Ltd.
- (2) Amount : ¥2,700 million
- (3) Interest Rate : Basic Interest Rate (JBA 3-months Japanese Yen TIBOR) +0.675% p.a.
- (4) Date of Loan : February 27, 2014
- (5) Type of Loan : Term Loan  
(7-years 6-months floating interest rate, contracted on February 25, 2014)
- (6) Date of Repayment : August 26, 2021 (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 : May 26, 2014 for the first payment, every 26th of February, May, August and November thereafter until May 2021, 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

#### Long-term (8-years) Loan

- (1) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Trust Bank, Ltd., Mizuho Bank, Ltd.
- (2) Amount : ¥4,500 million
- (3) Interest Rate : Basic Interest Rate (JBA 3-months Japanese Yen TIBOR) +0.70% p.a.
- (4) Date of Loan : February 27, 2014
- (5) Type of Loan : Term Loan  
(8-years floating interest rate, contracted on February 25, 2014)
- (6) Date of Repayment : February 26, 2022 (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 : May 26, 2014 for the first payment, every 26th of February, May, August and November thereafter until November 2021, 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/>)

### 3. Use of Funds

- Specifics : Loan proceeds will be used in order to repay current outstanding loans of ¥9,200 million, scheduled on February 27, 2014, according to the term loan agreement.

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)	15,900	6,700	-9,200
Short-term Loan Total	15,900	6,700	-9,200
Long-term Loan (Note)	63,890	73,090	+9,200
Investment Corporation Bonds	10,000	10,000	—
Long-term Loan Total	73,890	83,090	+9,200
Interest Bearing Debt Total	89,790	89,790	—

(Note) Based on the end of the 14th Fiscal Period (ended November 30, 2013).

5. Other

There are no significant changes in the “Investment Risks” stated in the Securities Report, filed on August 30, 2013, regarding the risks of the said loan repayment.