



**NOMURA**  
Residential Fund

For Translation Purposes Only

September 3, 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

- |                           |   |
|---------------------------|---|
| (1) Lenders               | : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Ltd., Mizuho Bank, Ltd.  |
| (2) Amount                | : ¥2,980 million  |
| (3) Interest Rate         | : Basic Interest Rate (JBA 3-months Japanese Yen TIBOR) +0.68% p.a.   |
| (4) Date of Loan          | : September 5, 2014   |
| (5) Type of Loan          | : Term Loan<br>(8-years floating interest rate, contracted on September 3, 2014)  |
| (6) Date of Repayment     | : August 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 | : November 26, 2014 for the first payment, every 26th of February, May, August and November thereafter until May 2022, 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 JBA TIBOR Administration website regarding the JBA Japanese Yen TIBOR. (<http://www.jbatibor.or.jp/english/rate/>)

### 3. Use of Funds

Specifics : Loan proceeds will be used in order to repay current outstanding loans of ¥3,400 million (the difference repaid through fund in hand), scheduled on September 5, 2014, according to the credit 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)	11,190	7,790	-3,400
Short-term Loan Total	11,190	7,790	-3,400
Long-term Loan (Note)	66,050	69,030	+2,980
Investment Corporation Bonds	10,000	10,000	—
Long-term Loan Total	76,050	79,030	+2,980
Interest Bearing Debt Total	87,240	86,820	-420

(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.