



NOMURA
Residential Fund

For Translation Purposes Only

September 2, 2013

For Immediate Release

Nomura Real Estate Residential Fund, Inc.
Masatomi Natsume, Executive Director
(Securities Code: 3240)

Asset Management Company:
Nomura Real Estate Asset Management Co., Ltd.
Yasuaki Fukui, 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 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

- | | |
|---------------------------|--|
| (1) Lenders | : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mitsubishi UFJ Trust and Banking Corporation |
| (2) Amount | : ¥7,500 million |
| (3) Interest Rate | : 0.70000% p.a.
(Applicable Interest Rate Term: September 2, 2013 to October 2, 2013) |
| (4) Date of Loan | : September 2, 2013 |
| (5) Type of Loan | : Loan based on the uncommitted line of credit loan agreement, contracted on February 27, 2013. |
| (6) Interest Payment Date | : October 2, 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 | : October 25, 2013 (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 |

3. Use of Funds

- (1) Specifics : Loan proceeds will be used in order to pay for the acquisition of URBAN STAGE Ebisu, URBAN STAGE Meguro Aobadai, URBAN STAGE Gakugei Daigaku, URBAN STAGE Nihonbashi Hamacho, URBAN STAGE Kagurazaka, URBAN STAGE Ikebukuro, URBAN STAGE Sakaisuji Honmachi and a part of the related expenses.

(Note) For a profile of the properties, refer to the “Notice Concerning Property Acquisition,” released on August 9, 2013.

- (2) Scheduled Date of Use : September 2013

4. Status of Interest Bearing Debts after Debt Financing

(Millions of Yen)

	Before	After	Increase/Decrease
Short-term Loan	—	7,500	+7,500
Long-term Loan Due Within One Year (Note)	15,562	15,562	—
Short-term Loan Total	15,562	23,062	+7,500
Long-term Loan (Note)	57,350	57,350	—
Investment Corporation Bonds	10,000	10,000	—
Long-term Loan Total	67,350	67,350	—
Interest Bearing Debt Total	82,912	90,412	+7,500

(Note) Based on the end of the 13th Fiscal Period (ended May 31, 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.