



NOMURA
Residential Fund

16th



PROUD FLAT Kamioooka

NOMURA REAL ESTATE RESIDENTIAL FUND

Analyst Meeting Presentation Material

2015.Jan.19



Contents of the 16th Fiscal Period (June 1 to November 30, 2014) Analyst Meeting Presentation Material

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Topics



Newly Acquired Properties

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Properties Acquired on December 19, 2014



PRIME URBAN Naka Meguro II



PRIME URBAN Nagahara Kamiikedai



PRIME URBAN Nishi Ogikubo II

Location	3-1-3 Kamimeguro, Meguro-ku, Tokyo	1-20-18 Kamiikedai, Ota-ku, Tokyo	3-6-9 Nishiogikita, Suginami-ku, Tokyo
Access	2-minute walk from Nakameguro Station on The Tokyu Toyoko Line. 2-minute walk from Nakameguro Station on The Tokyo Metro Hibiya Line.	3-minute walk from Nagahara Station on the Tokyu Ikegami Line.	3-minute walk from Nishi-Ogikubo Station on The JR Chuo Line and Sobu Line.
Appraisal Value	¥2,850,000 thousand	¥1,730,000 thousand	¥1,790,000 thousand
Acquisition Price (Comparison with appraisal value)	¥2,800,000 thousand (–¥50,000thousand)	¥1,720,000 thousand (–¥10,000 thousand)	¥1,780,000 thousand (–¥10,000 thousand)
NOI (Appraisal NOI ÷ Acquisition price)	¥131,716 thousand (4.7%)	¥81,717 thousand (4.8%)	¥82,624 thousand (4.6%)
Characteristics	All are located within a 5-minute walking distance from the nearest stations in the popular Jonan and Josai areas, and high performance is expected.		

※. Appraisal values and Appraisal NOI are figures described in the real estate appraisal reports with October 31, 2014 as the appraisal date. Appraised NOI values are annualized.



Overview of Newly Acquired Properties ①

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

PRIME URBAN Naka Meguro II



- There is a supermarket and other facilities for life convenience nearby, and there are many restaurants and shops in the station-front redevelopment area and along Meguro River. The area is very popular not only for residences but as a commercial area as well.
- The units consist primarily of 1K and 1LDK layouts. Demand from single adults and DINKs employed in central Tokyo with relatively high income is expected.



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Location	3-1-3 Kamimeguro, Meguro-ku, Tokyo
Access	2-minute walk from Nakameguro Station on The Tokyu Toyoko Line. 2-minute walk from Nakameguro Station on The Tokyo Metro Hibiya Line.
Leasable Units	66 units (Under 30 sq. meters: 16 units, 30-50 sq. meters: 48 units, Retail/Office : 2 units)
Total Leasable Floor Area	2,393.45sq. meters
Structure	RC, 10F
Completion Date	January 15, 2002
Property Management Company	Nomura Real Estate Partners Co., Ltd.
Acquisition Price	¥2,800,000 thousand
Scheduled Date of Acquisition	December 19, 2014



Overview of Newly Acquired Properties ②

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

PRIME URBAN Nagahara Kamiikedai



- An excellent residential district is in place with a shopping street in front of the station.
- The units consist primarily of 1K and 1LDK layouts. Since the equipment specification grade is high such as with some windows being equipped with magnet sensors for the prevention of crime and downlights with dimming functions, demand from single adults and DINKs employed in Tokyo is expected.



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Location	1-20-18 Kamiikedai, Ota-ku, Tokyo
Access	3-minute walk from Nagahara Station on the Tokyu Ikegami Line. 11-minute walk from Hatanodai Station on The Tokyu Ikegami Line and Oimachi Line.
Leasable Units	61 units (Under 30 sq. meters: 22 units, 30-50 sq. meters: 34 units, 50-70 sq. meters: 5 units)
Total Leasable Floor Area	2,282.62sq. meters
Structure	RC, B1/10F
Completion Date	January 30, 2008
Property Management Company	Nomura Real Estate Partners Co., Ltd.
Acquisition Price	¥1,720,000 thousand
Scheduled Date of Acquisition	December 19, 2014



Overview of Newly Acquired Properties ③

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

PRIME URBAN Nishi Ogikubo II



- Access to major business areas in Tokyo is excellent and there are many facilities for life convenience near the station.
- The units consist primarily of 1K layouts. Demand from single adults employed in Tokyo is expected.



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Location	3-6-9 Nishiogikita, Suginami-ku, Tokyo
Access	4-minute walk from Nishi-Ogikubo Station on The JR Chuo Line and Sobu Line.
Leasable Units	76 units (Under 30 sq. meters: 58 units, 30-50 sq. meters: 18 units)
Total Leasable Floor Area	2,225.33sq. meters
Structure	RC, 6F
Completion Date	February 1, 2008
Property Management Company	Nomura Real Estate Partners Co., Ltd.
Acquisition Price	¥1,780,000 thousand
Scheduled Date of Acquisition	December 19, 2014



Digest of the 16th Fiscal Period



Digest of the 16th Fiscal Period ①

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Operating Results of the 16th Fiscal Period

Acquisition

- Continuation of the portfolio replacement strategy

3 Properties (0.93billion) disposition



URBAN STAGE Minami
Gyotoku IV (21years)



URBAN STAGE Komazawa
(25years)



URBAN STAGE Minami
Gyotoku II (23years)

Portfolio at Nov. 30, 2014

Asset Size	¥159.31 billion	Number of Properties	150 Properties
		Leasable Units	9,054 units

Asset replacement



(17th)

3 Properties (6.3billion) acquisition



PRIME URBAN Naka
Meguro II (12years)



PRIME URBAN Nagahara
Kamiikedai (6years)



PRIME URBAN Nishi
Ogikubo II (6years)

Portfolio after acquisition of 3 properties

Asset Size	¥165.61 billion	Number of Properties	153 Properties
		Leasable Units	9,257 units

Management

- Continued maintenance of high occupancy rate

16th FP
96.2% (Comparison with end of previous period) +0.4% Period average occupancy rate **96.0%**

- Completion of re-tenanting at PROUD FLAT Kamiooka (single-tenant property)



PROUD FLAT Kamiooka
(Leasable Units 200units)

- Portfolio NOI Yield **5.2%**

Finance

- Refinanced ¥3,730 million and repaid ¥2,930 million

16th FP

LTV **52.7%**

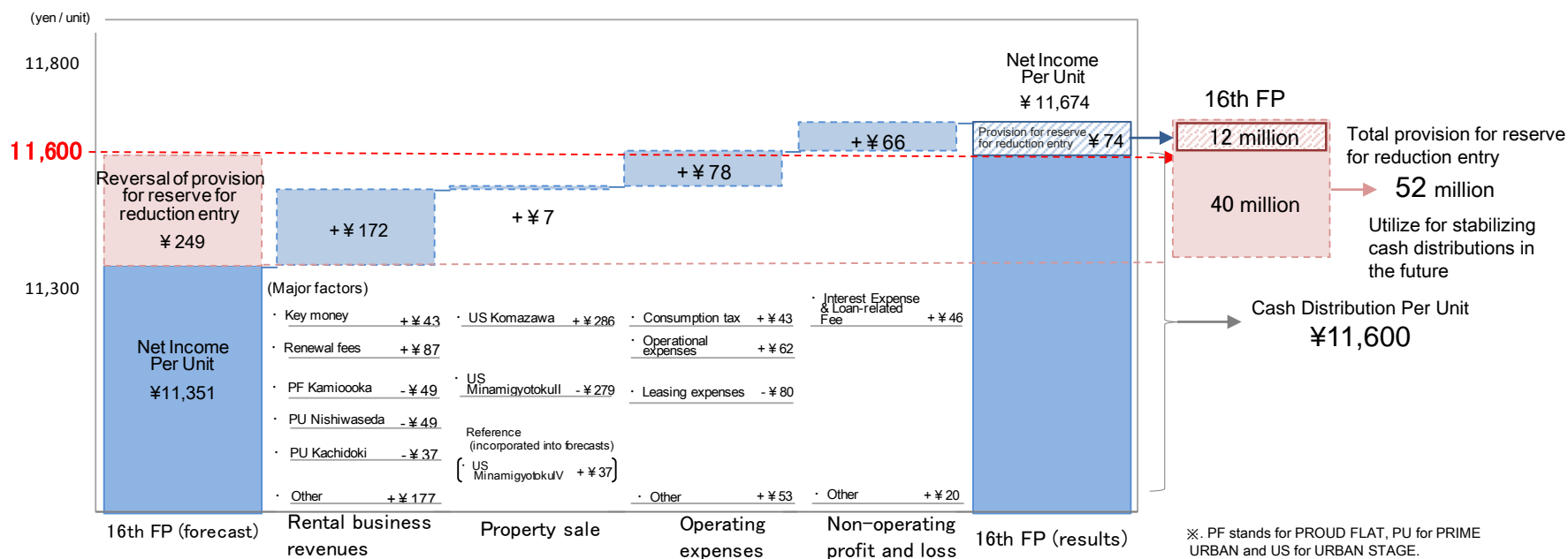
Weighted Average Interest Rate **1.18%**

Average Remaining Duration of Interest-bearing Debt **3.1 years**

※. The building age is as of the point of acquisition or sale of each property. In addition, amounts are the total of acquisition prices at the point of acquisition.



	16th FP Forecasts (ending Nov. 30, 2014)	16th Fiscal Period (ended Nov. 30, 2014)	Difference (comparison with forecast)
Operating Revenues	¥5,406 million	¥5,480 million	+ 1.4 %
Operating Profits	¥2,382 million	¥2,423 million	+ 1.7 %
Net Income	¥1,825 million	¥1,877 million	+ 2.9 %
Net Income Per Unit	¥11,351	¥11,674	+ 2.8 %
Cash Distribution Per Unit	¥11,600	¥11,600	—





Overview of the 16th Fiscal Period



- ✓ 3 properties were sold during the 16th fiscal period.
- ✓ All properties (average building age of 23 years) were sold at prices above the appraisal values.

Please see page 20 for our future sale policy.



URBAN STAGE Minami Gyotoku



URBAN STAGE Komazawa



URBAN STAGE Minami Gyotoku II

Access	17-minutes walk from Minami-gyotoku Station on the Tokyo Metro Tozai Line.	3-minutes walk from Komazawa Daigaku Station on the Tokyu Denentoshi Line.	18-minute walk from Minami Gyotoku Station on the Tokyo Metro Tozai Line.
Leasable Units	32 units (Average leasable floor area per unit: 16.72㎡)	26 units (Average leasable floor area per unit: 22.02㎡)	37 units (Average leasable floor area per unit: 16.53㎡)
Completion Date	April 12, 1993 (21years)	July 21, 1989 (25years)	January 15, 1991 (23years)
Acquisition Price	¥256,000 thousand	¥396,000 thousand	¥285,000 thousand
Book Value (as of transfer date)	¥243,476 thousand	¥399,641 thousand	¥278,483 thousand
Appraisal Value	¥218,000 thousand (as of May 31, 2014)	¥346,000 thousand (as of May 31, 2014)	¥231,000 thousand (as of May 31, 2014)
Transfer Price (comparison with appraisal)	¥256,840 thousand (+38,840 thousand)	¥461,000 thousand (+115,000 thousand)	¥240,349 thousand (+9,349 thousand)
Transfer Date	June 30, 2014	November 27, 2014	November 28, 2014
Disposition profit and loss	+6,193 thousand	+46,640 thousand	▲45,281 thousand

※1. Building ages are as of the sale date.

※2. Gain/loss on sale is arrived at by subtracting the amount including the book value at the point of sale and the paid settlement money from the proceeds of the sale including settlement money such as expenses. For details, please see the financial results for the 17th fiscal period.

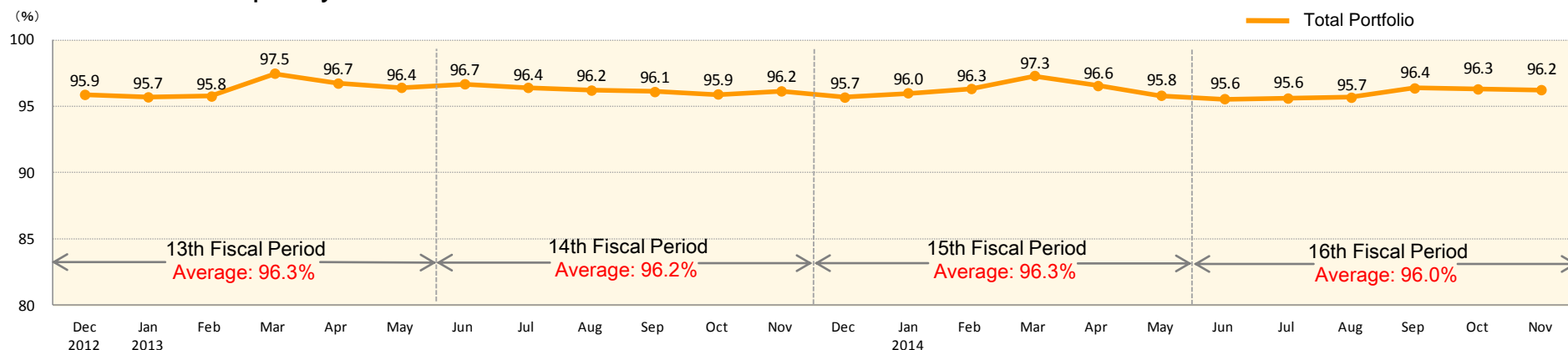


Portfolio Occupancy Rate

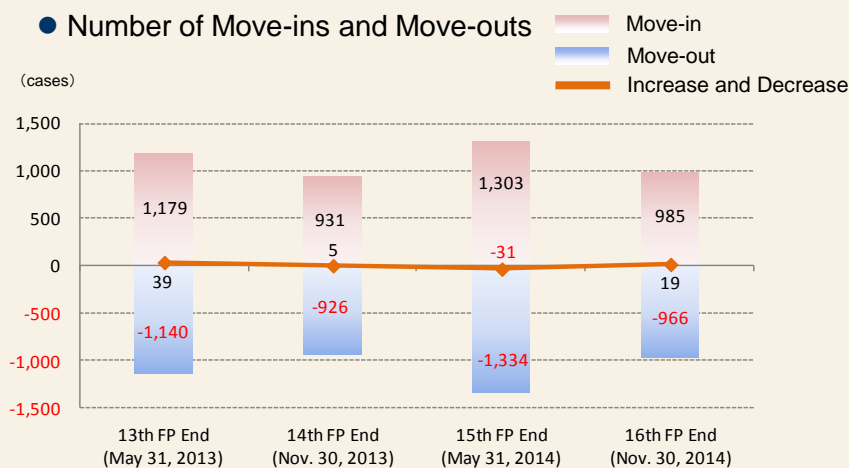
NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ The period average occupancy rate was maintained at a high level in the 96% level for 4 consecutive periods.
- ✓ The average vacancy period increased slightly but continues to be stable in the 60 day level.

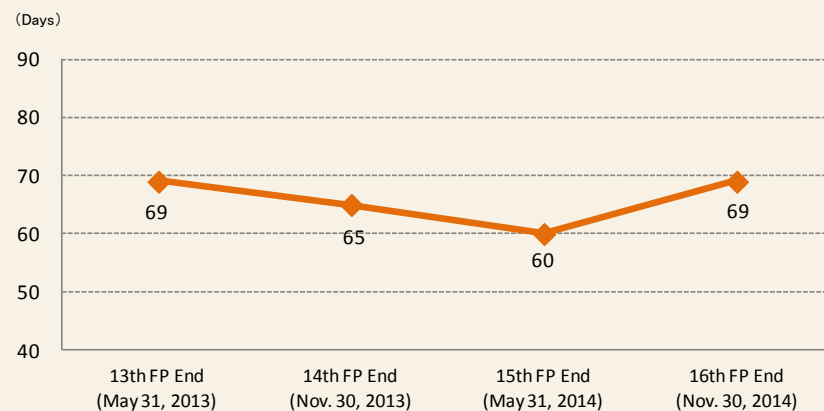
Portfolio Occupancy Rate



Number of Move-ins and Move-outs



Average Vacancy Period



※. The average vacancy period is the average period between the moving out of tenants and the contracting of new tenants.

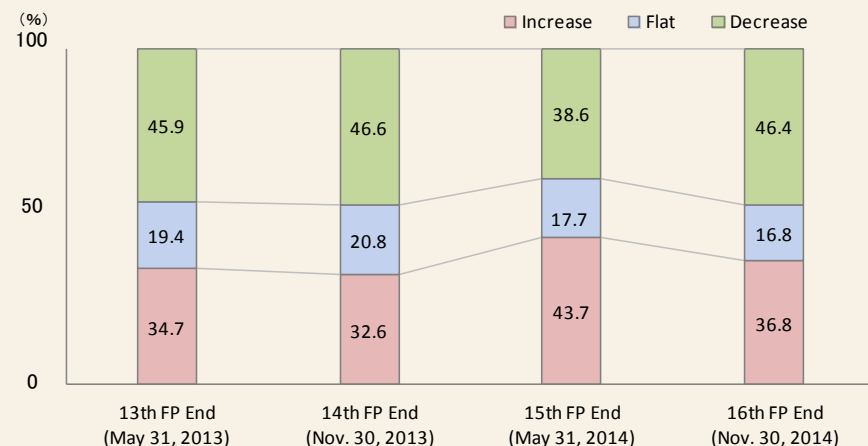


Changes in Rent

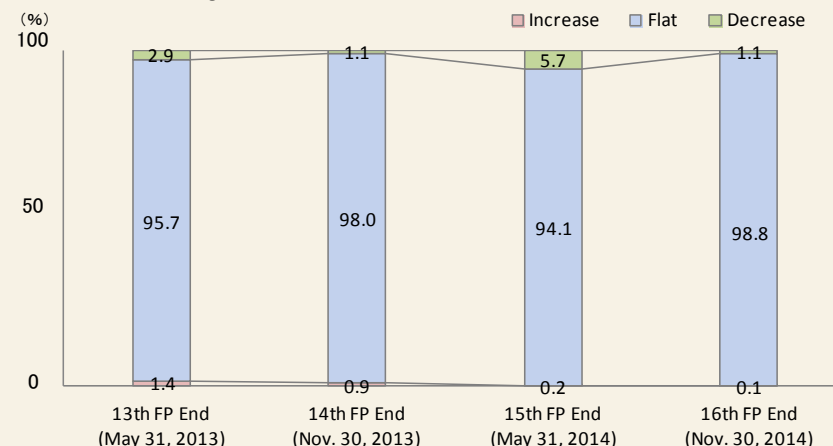
NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ The ratio of increase of rent for new tenant replacements increased year on year (stable replacement period).
- ✓ The rent level continues to be largely flat.

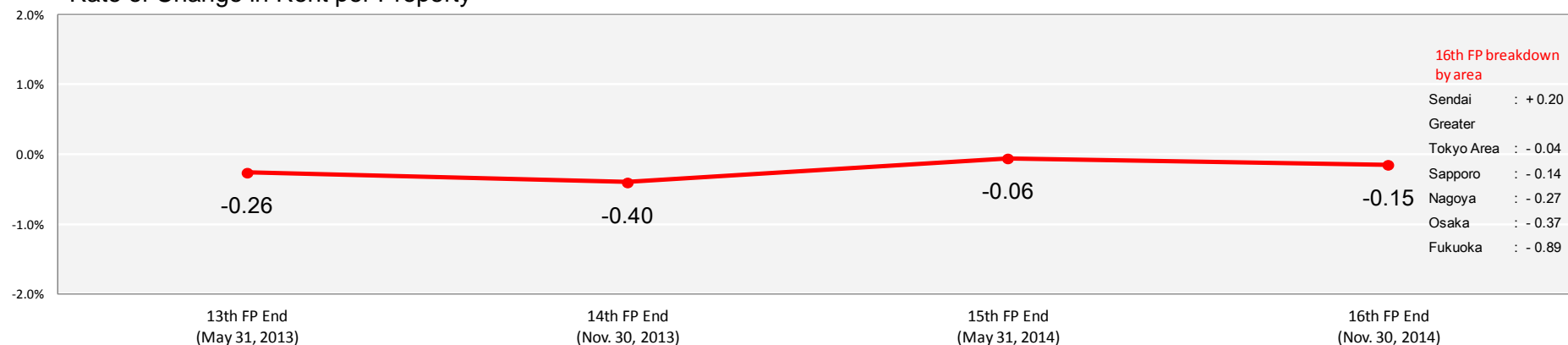
● Rent Change Before Move-out and After Move-in



● Rent Change at Lease Renewals



● Rate of Change in Rent per Property



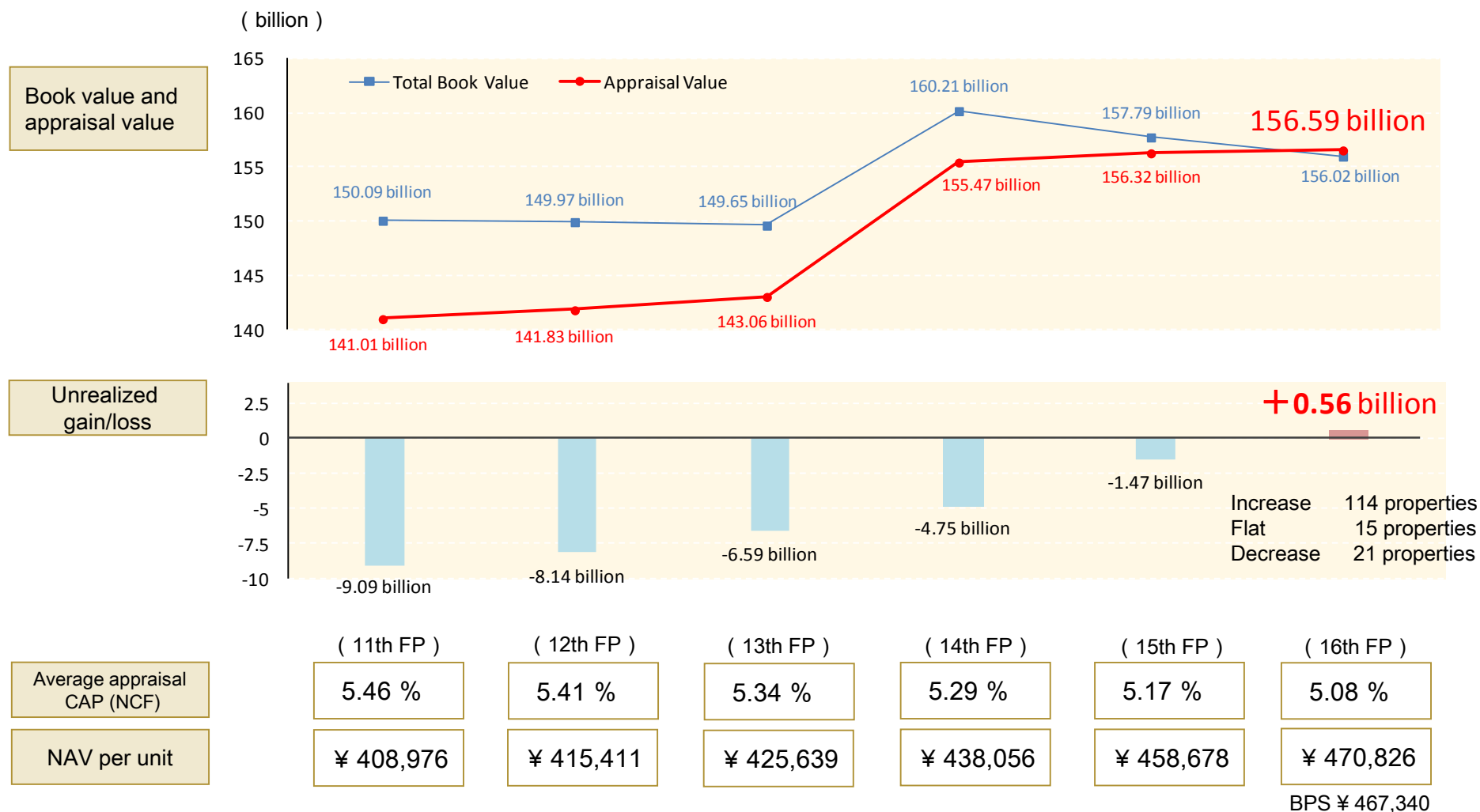
※.The rate of change of rent per property based on properties owned as of the end of the previous fiscal period is indicated.



Appraisal Value Status at End of the 16th Fiscal Period

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

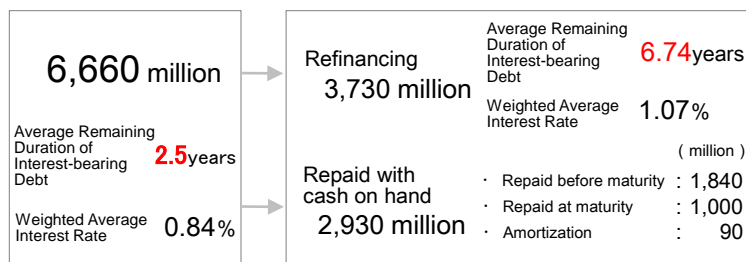
- ✓ Transition to unrealized gain is made in the 16th fiscal period along with the increase of the appraisal value.
- ✓ Active management will continue in order to achieve further increase.





Overview of Refinancing in the 16th Fiscal Period

Loans matured during the 16th fiscal period



Interest-bearing Debt

Interest-bearing Debt Total

¥ 86,820 million

Weighted Average Interest Rate

1.18 %

Long-term Interest-bearing Debt Ratio

79.8 %

Fixed-rate Interest-bearing Debt Ratio

99.1 %

Average Remaining Duration of Interest-bearing Debt

3.1 years

LTV Level

52.7 %

Credit Rating

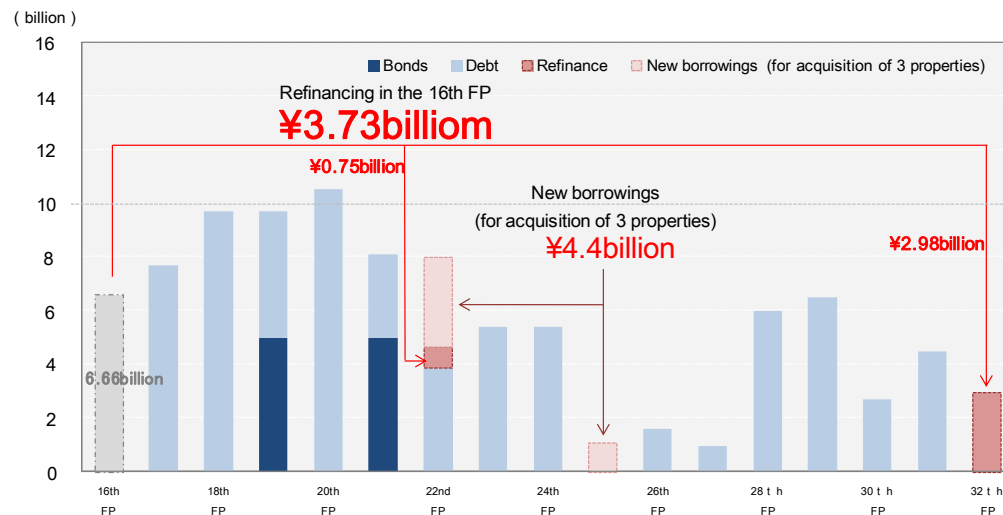
Agency	Rating		Outlook
JCR	Long-term issuer rating:	AA	Stable
S&P	Long-Term Corporate Credit Ratings:	A	Stable
	Short-Term Corporate Credit Ratings:	A-1	

※ Investment Corporation Bonds are included in the "Interest-bearing Debt."

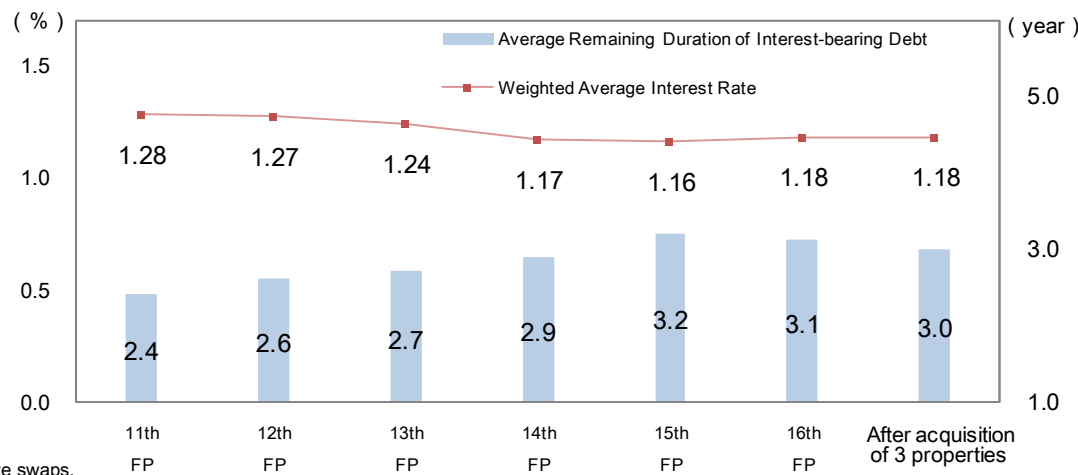
※ Long-term Ratio, when including "long-term loans due within a year" in long-term loans, is 100.0%.

※ Loan Interest Rate Fixed Ratio" includes floating rate loans which have been fixed through interest rate swaps.

Maturity Diversification



Weighted Average Interest Rate and Average Remaining Duration of Interest-bearing Debt





Management Strategies



✓ Aiming to improve the portfolio and performance to realize stable cash distributions in the medium- to long-term

Acceleration of replacement strategy

- Property acquisitions centering on sponsor support
- Active sale of properties

Pages 17 to 20

Further pursuit of internal growth

- Renewals to increase competitiveness
- Maintaining high occupancy by increasing tenant satisfaction

Pages 21 to 22

Creation of capacity for acquisitions

- Controlling the LTV level

Page 23

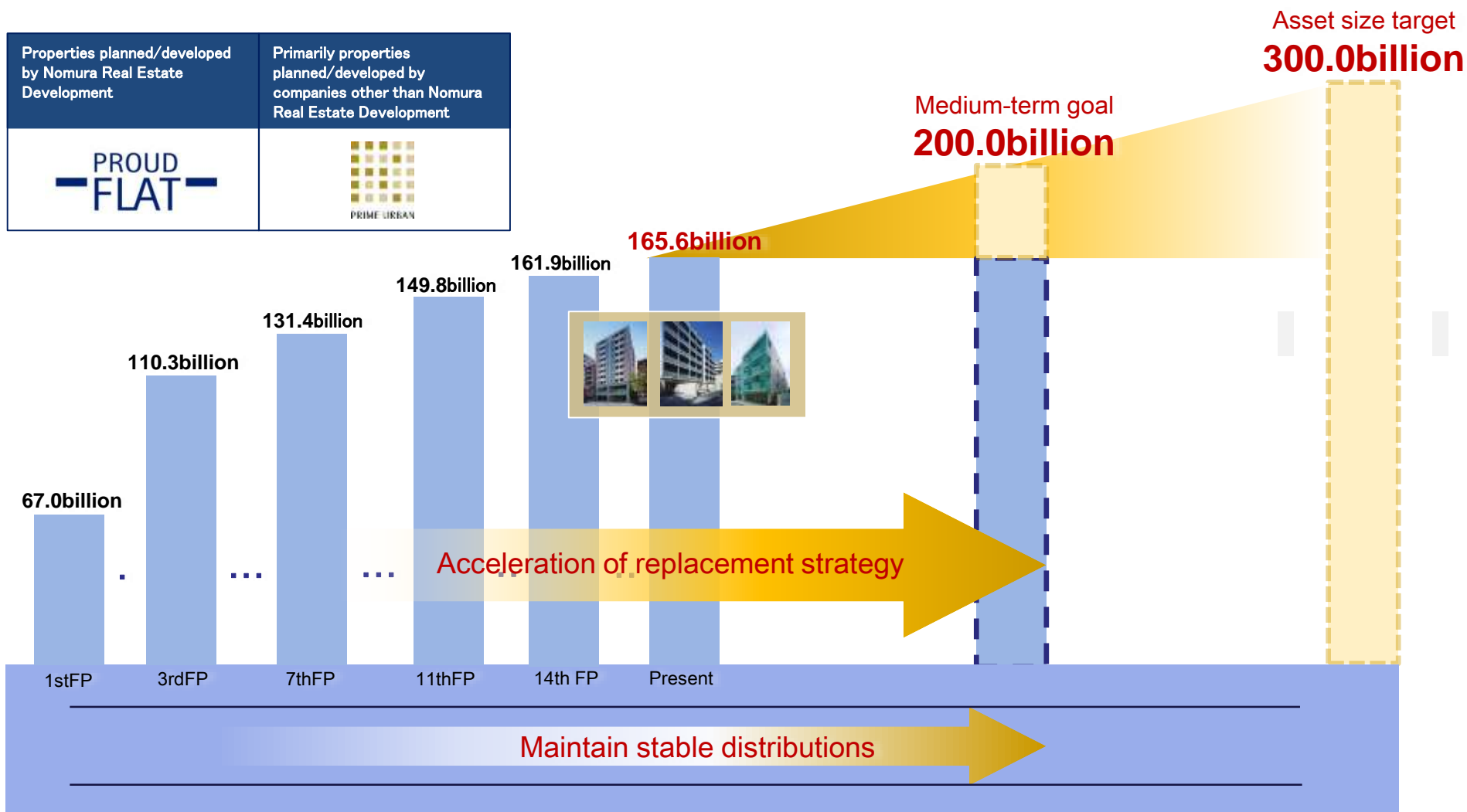


Path of the Growth Strategy

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ Maintain stable distributions while aiming to increase the asset size
- ✓ Accelerate the replacement strategy to maintain the quality of the portfolio in tandem with the increase of the asset size

Properties planned/developed by Nomura Real Estate Development	Primarily properties planned/developed by companies other than Nomura Real Estate Development
	

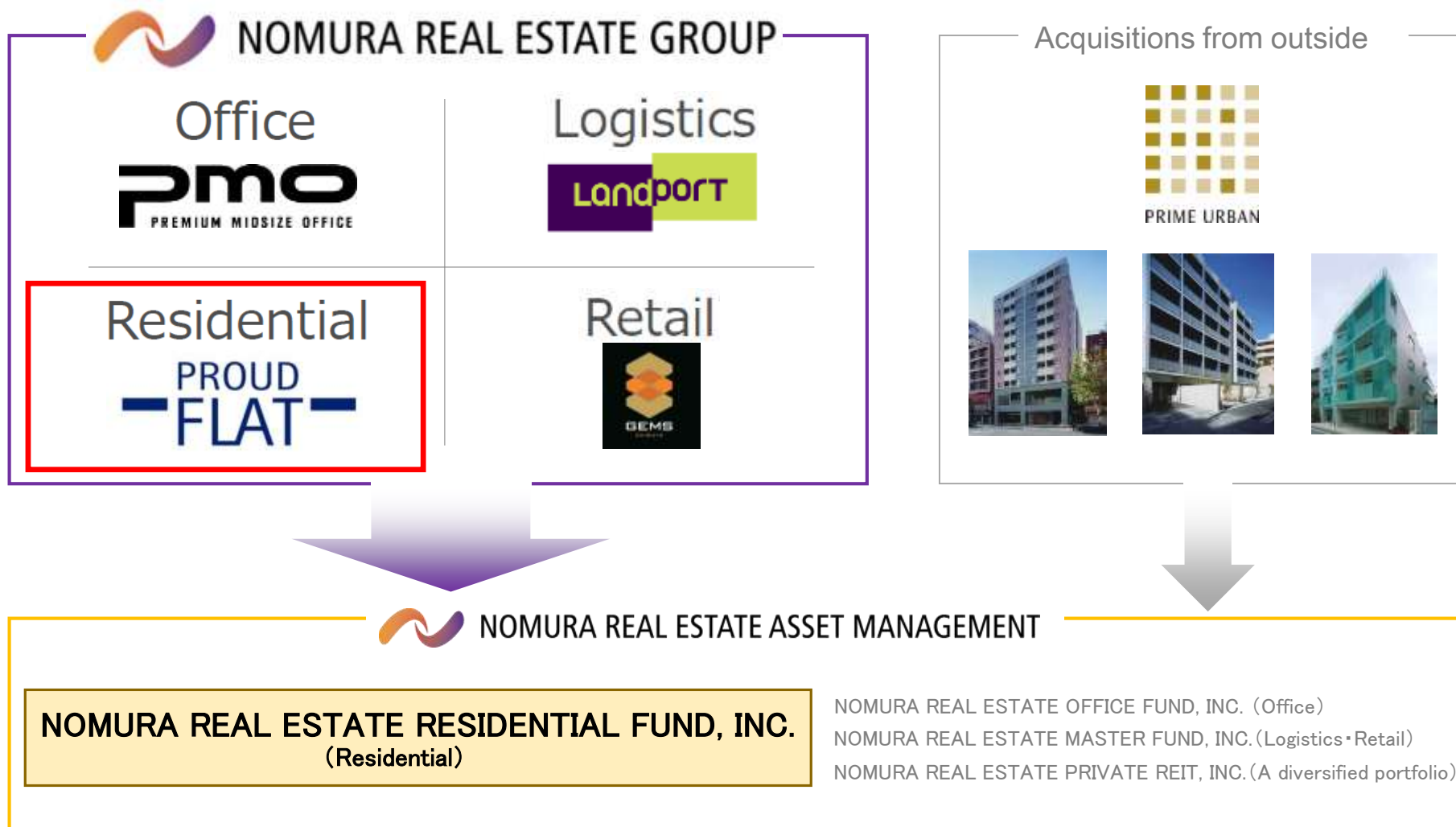




Acceleration of Replacement Strategy ① (Sponsor Support ①)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ Property acquisitions going forward will center on PROUD FLAT properties developed by the sponsor
- ✓ Furthermore, acquisitions from the outside using the Asset Management Company's own routes will be implemented selectively with consideration of the contribution to the whole portfolio





Acceleration of Replacement Strategy ② (Sponsor Support ②)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

PROUD
FLAT



PROUD FLAT Sangen Jayall



PROUD FLAT Hattyoubori



PROUD FLAT Omorilli

No.	Name	Total number of units	Scheduled completion
1	PROUD FLAT Tsurumil	200	Completed in 2009
2	PROUD FLAT Sangen Jayall	70	Completed in 2014
3	PROUD FLAT hattyoubori	33	Completed in 2014
4	PROUD FLAT Itabashi honcho	41	Completed in 2014
5	PROUD FLAT Omorilli	49	Completed in 2014
6	Kotobashi 1-Chome Project	36	2015
7	Higashi-Nakano 5-Chome Project	49	2015
8	Shinjuku-ku Enokicho Project	35	2015

No.	Name	Total number of units	Scheduled completion
9	Higashi-Kanda 1-Chome Project	38	2015
10	Nihonbashi Honcho 4-Chome Project	40	2015
11	Meguro Honcho II Project	35	2015
12	Sugamo II Project	33	2015
13	Tomigaya 2-Chome Project	30	2016
14	Sotokanda 2-Chome Project	75	2016
15	Noborito Project	79	2016



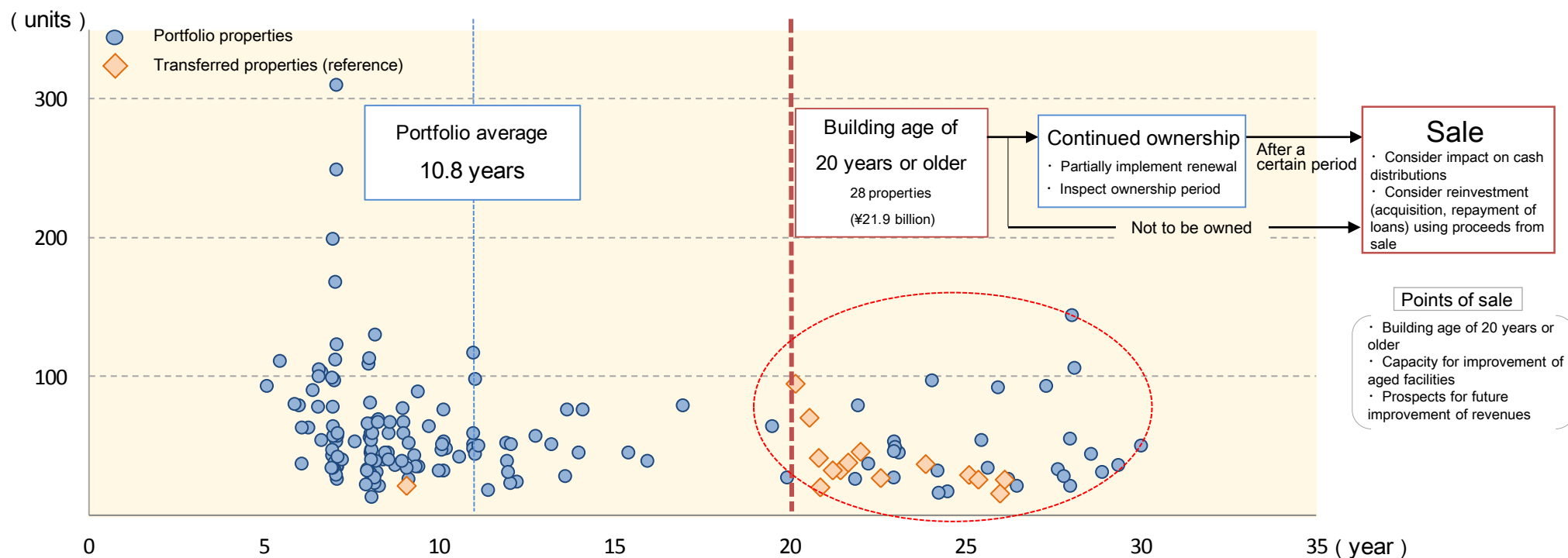
※.The total number of units and scheduled completion of properties yet to be completed are current schedules and are subject to change.



Acceleration of Replacement Strategy ③ (Sale Policy)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ A replacement strategy of sale and acquisition of properties will be promoted to improve the portfolio's quality.
- ✓ Properties at 20 years of age or older will be targeted; Future performance will be inspected to decide whether to continue ownership or sell.



		8th FP (Nov. 2010)	9th FP (May 2011)	10th FP (Nov. 2011)	11th FP (May 2012)	12th FP (Nov. 2012)	13th FP (May 2013)	14th FP (Nov. 2013)	15th FP (May 2014)	16th FP (Nov. 2014)	Total
Acquisitions	Number of cases	2	1	2	0	1	1	0	0	0	7
	Price (¥ million)	2,090	940	2,156	0	725	1,260	0	0	0	7,171
Transfers	Number of cases	1	2	0	1	0	2	4	2	3	15
	Price (¥ million)	136	1,466	0	274	0	881	1,385	1,670	937	6,749
Replacement price		1,954	▲ 526	2,156	▲ 274	725	379	▲ 1,385	▲ 1,670	▲ 937	422

※1: Properties acquired upon the 3rd and 4th public offerings are not included as they are not part of the replacement strategy.

※2: The building ages of transferred properties are plotted using the values as of the point of transfer.



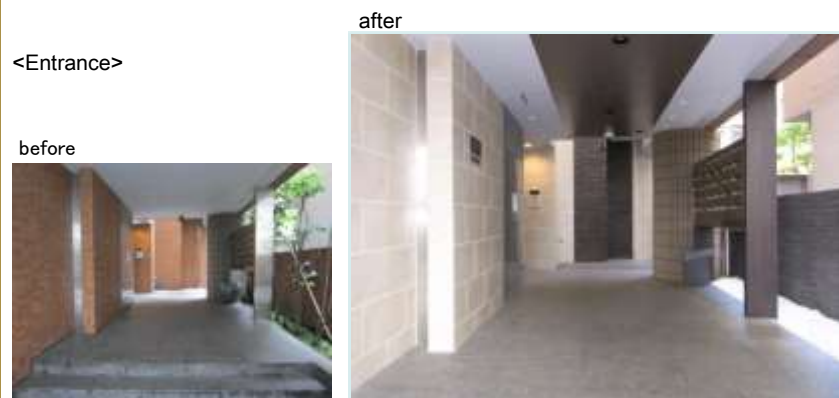
Pursuit of Internal Growth ① (Renewal of Continually Owned Properties)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ Renewals were implemented at properties whose ownership was decided to continue to maintain competitiveness
- ✓ Renewal of units are implemented centering on properties where increase of the rent level is expected

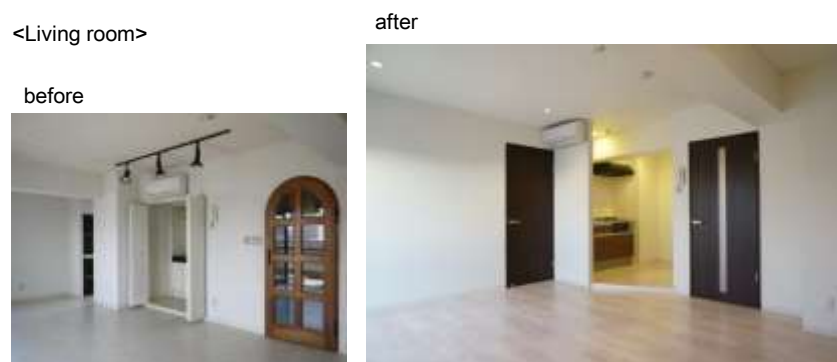
Example of large-scale renovation

●PRIME URBAN Shinjuku Ochiai



Example of renewal of exclusive area

●PRIME URBAN Sangen Jaya II



● Large-scale renovations and common area : 2 properties renewals carried out at

- PRIME URBAN Shinjuku Ochiai
 - PRIME URBAN Musashi Koganei
- (Reference: Scheduled for the 17th FP)
- PRIME URBAN Azabu Juban
 - PRIME URBAN Tsutsumidori Amamiya

● Unit renewals carried out at : 13 units

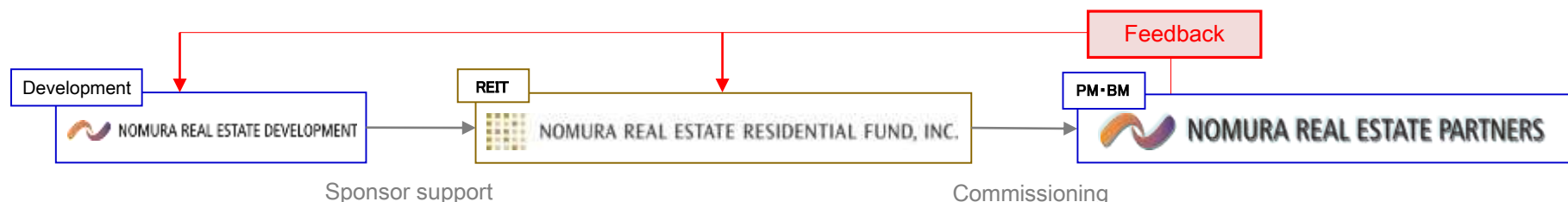
- PRIME URBAN Sangen Jaya II
 - PRIME URBAN Komagome
 - PRIME URBAN Kamiuma, etc.
- Rate of increase of rent level: 4.3%



Pursuit of Internal Growth ② (Increase of Tenant Satisfaction)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ Integrate system of development/commercialization → ownership/AM → management/leasing to improve marketability and increase tenant satisfaction.
- ✓ Utilize the know-how of integrated system of production/sale/management of for sale condominiums and get customer needs feedback through PM and use for the development of the next product.
- ✓ Questionnaire results show that nearly 80% of occupants are satisfied due to various services, etc. provided by Nomura Real Estate Partners Co., Ltd.



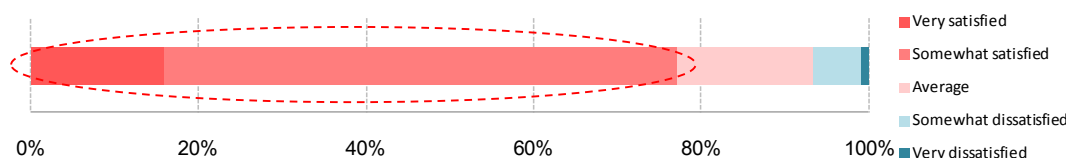
Occupancy Rate of Properties Commissioned to Nomura Real Estate Partners (Figures in parentheses are for the entire portfolio)

	11th FP	12th FP	13th FP	14th FP	15th FP	16th FP
Period-end occupancy rate	97.4% (96.2%)	96.9% (96.2%)	96.8% (96.4%)	96.6% (96.2%)	95.7% (95.8%)	96.2% (96.2%)
Number of properties at period-end	22 (152)	43 (153)	65 (152)	100 (155)	118 (153)	115 (150)

Questionnaire for Occupants

Nomura Real Estate Partners conducted a questionnaire survey targeting residents of properties owned by NRF (conducted in July 2014 with more than 800 responses).

Q. What is your level of satisfaction with the condominium you are living in?



Nearly 80% of residents were satisfied



- Speedy Service
- Free Account Transfer Service
- Disaster Support Service
- Club Off Benefit Service
- Visiting Service for Residents

- Attracting potential residents through the homepage (Nomura's leasing)

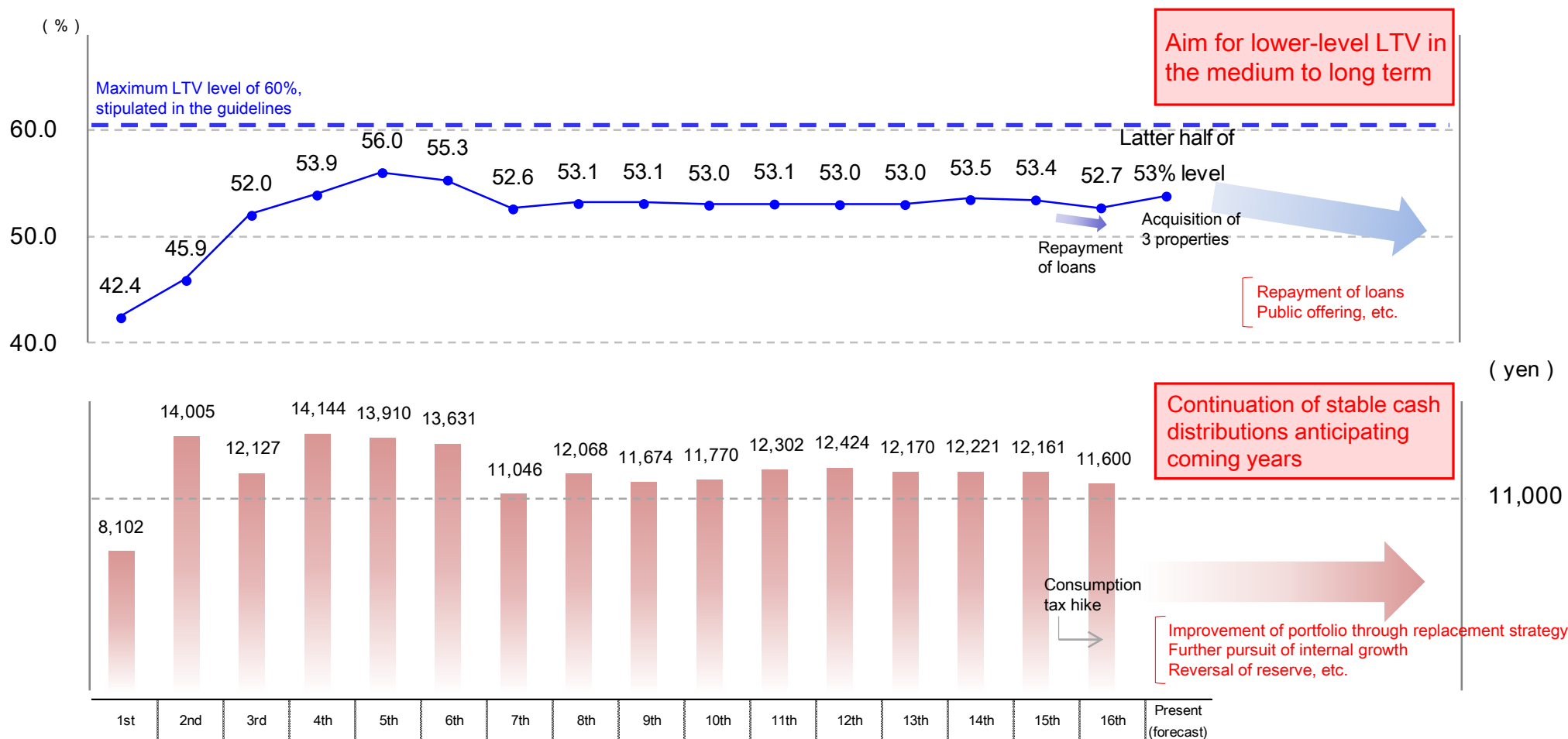




LTV and Cash Distribution Policy

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ LTV decreased to 52.7% (down 0.7% from the previous period) by the end of the 16th fiscal period due to prepayments
- ✓ LTV increased temporarily due to the acquisition of 3 properties, but a decreased LTV is pursued in the medium to long term
- ✓ From an early stage, implementing a medium- to long-term growth strategy that anticipates coming years; Achieve continuation of stable cash distributions





Forecast Cast Distribution for the 17th Fiscal Period

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Comparison of 16th Fiscal Period Results with Forecast for 17th Fiscal Period

	16th Fiscal Period (ended Nov. 30, 2014)	17th FP Forecasts (ending May 31, 2015)	Difference (Comparison with results)
Operating Revenues	¥5,480 million	¥5,606 million	+ 2.3 %
Operating Profits	¥2,423 million	¥2,429 million	+ 0.2 %
Net Income	¥1,877 million	¥1,865 million	- 0.6 %
Net Income Per Unit	¥11,674	¥11,600	- 0.6 %
Cash Distribution Per Unit	¥11,600	¥11,600	-



※1. Cash distribution per unit for the 17th fiscal period (ending May 2015) shown in the chart is the forecast as of January 15, 2015. Actual figures may change due to the acquisition or sales of properties, changes in real estate markets, and other conditions surrounding NRF. NRF does not guarantee the cash distribution per unit predicted in this forecast. ※2. PF stands for PROUD FLAT and PU for PRIME URBAN.



A P P E N D I X



Details of Financial Results for the 16th Fiscal Period



Income statement

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

		15th Fiscal Period From Dec. 1, 2013 To May 31, 2014	16th Fiscal Period From Jun. 1, 2014 To Nov. 30, 2014	Difference from Previous Period (15th FP - 16th FP)	
		Amount (¥ 000)	Amount (¥ 000)	Difference (¥ 000)	Difference (%)
Operating Revenue		5,594,013	5,480,818	-113,195	-2.0
Real Estate Rental Business Revenues	*1	5,556,649	5,427,985	-128,663	-2.3
Rental Business Revenues		5,143,831	5,068,066	-75,764	-1.5
Other Rental Business Revenues		412,817	359,918	-52,899	-12.8
Parking Lot Revenue		134,802	124,611	-10,190	-7.6
Incidental Revenue	*2	199,126	160,332	-38,793	-19.5
Other Real Estate Rental Revenues	*3	78,889	74,974	-3,915	-5.0
Real Estate Disposition Revenue		37,364	52,833	15,468	41.4
Operating Expense		3,080,309	3,057,633	-22,675	-0.7
Real Estate Rental Business Expenses	*1	2,453,509	2,353,783	-99,725	-4.1
Repair Expenses	*4	300,325	257,382	-42,942	-14.3
Tax and Public Dues	*5	263,900	292,327	28,426	10.8
Depreciation and Amortization		1,053,355	1,052,023	-1,332	-0.1
Other Rental Business Expenses		835,927	752,049	-83,877	-10.0
Asset Management Fees		399,676	397,390	-2,285	-0.6
Other Operating Expenses	*6	227,124	261,177	34,053	15.0
Operating Profits		2,513,704	2,423,184	-90,519	-3.6
Non-Operating Revenues		4,173	4,603	429	10.3
Non-Operating Expenses		561,381	549,671	-11,710	-2.1
Interest Expenses		464,894	458,480	-6,414	-1.4
Investment Corporation Bond Interest		56,071	55,928	-142	-0.3
Other Non-Operating Expenses	*7	40,415	35,261	-5,153	-12.8
Ordinary Income		1,956,496	1,878,116	-78,380	-4.0
Net Income Before Tax		1,956,496	1,878,116	-78,380	-4.0
Corporate Income Tax, etc.		974	890	-83	-8.6
Net Income		1,955,522	1,877,226	-78,296	-4.0
Retained Earnings Brought Forward		64	98	33	52.2
Retained Earnings at Fiscal Period End		1,955,587	1,877,325	-78,262	-4.0
Total Cash Distribution		1,955,488	1,865,280	-90,208	-4.6

(Note) The amount of total cash distributions in the 16th Fiscal Period is the amount where the provision of reserve for reduction entry (¥12 million) is deducted from unappropriated retained earnings.

*Reference [16th Fiscal Period]

- Real Estate Rental Business Revenues : ¥3,074,202 thousand
(from previous FP : ¥-2,874 thousand)
- Incidental Revenues
Key Money : ¥54,972 thousand
Renewal Fee : ¥90,605 thousand
- Other Real Estate Rental Revenues
Revenue from reversal of provision for loss on disaster,
cellphone antennae, vending machines, etc.
- Renovation Expenses
Repair Expenses : ¥257,382 thousand
Capital Expenditure : ¥136,544 thousand
Total : ¥393,927 thousand
- Tax and Public Dues (152 properties at FP End)
Subject Property : 153 properties
Excluded Property : - properties
Total : 153 properties
- Other Operating Expenses
Duty Entrustment Fee : ¥42,116 thousand
Directors Fee, etc. : ¥5,600 thousand
- Other Non-Operating Expenses
Loan Related Expense, etc. : ¥23,715 thousand



Balance Sheet

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Assets

	15th Fiscal Period as of May 31, 2014		16th Fiscal Period as of Nov. 30, 2014	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current Assets	10,083,755	6.0	8,773,642	5.3
Cash and Cash Equivalents	9,400,388	5.6	8,186,505	5.0
Cash and Cash Equivalent in Trust	565,037	0.3	491,522	0.3
Other Current Assets	118,329	0.1	95,613	0.1
Fixed Assets	157,824,052	94.0	156,052,970	94.7
Tangible Fixed Assets *1	157,793,123	94.0	156,029,544	94.6
Real Estate	135,258,525	80.5	134,483,407	81.6
Building	61,457,903	36.6	60,552,944	36.7
Land	73,800,621	43.9	73,930,463	44.8
Real Estate in Trust	22,534,598	13.4	21,543,092	13.1
Building in Trust	7,324,455	4.4	6,991,812	4.2
Land in Trust	15,210,142	9.1	14,551,280	8.8
Construction in Progress	-	-	3,045	0.0
Intangible Fixed Assets	1,537	0.0	1,016	0.0
Other Intangible Fixed Assets	1,537	0.0	1,016	0.0
Investment and Other Assets	29,391	0.0	22,408	0.0
Security Deposits	10,879	0.0	10,879	0.0
Long-term Repaid Expenses	18,512	0.0	11,529	0.0
Deferred Assets	32,702	0.0	25,432	0.0
Investment Corporation Bond Issuing Expenses	32,702	0.0	25,432	0.0
Total Assets	167,940,510	100.0	164,852,044	100.0

*1 Tangible Fixed Asset

(unit : million of yen)

	Acquisition Price	Accumulated Depreciation	(Depreciation for current FP)	Book value at FP end
Real Estate, etc.	168,313	12,283	(1,052)	156,029
Building	70,964	10,411	(930)	60,552
Land	73,930	-	-	73,930
Building in Trust	8,864	1,872	(122)	6,991
Land in Trust	14,551	-	-	14,551
Construction in Progress	8	-	-	8

Liabilities and Net Assets

	15th Fiscal Period as of May 31, 2014		16th Fiscal Period as of Nov. 30, 2014	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current Liabilities	15,966,300	9.5	19,023,467	11.5
Trade Accounts Payable	313,873	0.2	267,593	0.2
Long-term Loan Due Within One Year *2	14,450,000	8.6	17,580,000	10.7
Other Accounts Payable	295,373	0.2	341,726	0.2
Taxes Payable	51,893	0.0	9,712	0.0
Accrued Expenses	115,670	0.1	115,149	0.1
Rent Received in Advance	725,084	0.4	702,508	0.4
Deposits Payable	14,403	0.0	6,777	0.0
Fixed Liabilities	76,747,569	45.7	70,680,198	42.9
Investment Corporation Bonds *2	10,000,000	6.0	10,000,000	6.1
Long-term Loans *2	65,300,000	38.9	59,240,000	35.9
Security Deposits	1,175,682	0.7	1,231,288	0.7
Security Deposits in Trust	271,886	0.2	208,909	0.1
Total Liabilities	92,713,869	55.2	89,703,665	54.4
Unitholders Equity	75,226,641	44.8	75,148,378	45.6
Unitholders Capital	73,231,053	43.6	73,231,053	44.4
Retained Earnings	1,995,587	1.2	1,917,325	1.2
Total Net Assets	75,226,641	44.8	75,148,378	45.6
Total Liabilities and Net Assets	167,940,510	100.0	164,852,044	100.0

*2 Loans (long-term loans due within a year are included in the short-term loans)

Balance of interest-bearing debts (millions of yen) 86,820

Total asset interest-bearing debt ratio $\left[\frac{\text{Short-term loans+bonds + Long-term loans}}{\text{total assets}} \right]$ 52.7%

Long-term interest-bearing debt ratio $\left[\frac{\text{Bonds + Long-term loans}}{\text{Short-term loans+bonds + Long-term loans}} \right]$ 79.8%



Forecasts for the 17th Fiscal Period

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

	16th FP Forecast From Jun. 1, 2014 To Nov. 30, 2014	17th FP Forecast From Dec. 1, 2014 To May 31, 2015	Difference
	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)
Operating Revenue	5,480	5,606	126
Real Estate Rental Business Revenues	5,427	5,606	179
Real Estate Disposition Revenue	52	0	-52
Operating Expense	3,057	3,177	120
Real Estate Rental Business Expenses	2,353	2,492	139
Repair Expenses	257	289	32
Tax and Public Dues	292	297	5
Depreciation and Amortization	1,052	1,072	20
Asset Management Fees	397	398	1
Other Operating Expenses	261	286	25
Operating Profits	2,423	2,429	6
Non-Operating Expenses	549	562	13
Interest Expenses	514	518	4
Ordinary Income	1,878	1,866	-12
Net Income	1,877	1,865	-12

Number of Investment Units Issued (units)	160,800	160,800	0
Cash Distribution Per Unit (yen)	11,600	11,600	0

Number of Properties (properties)	150	153	3
Leasable Floor Area (sqm)	272,627.52	279,528.92	6,901
Average Occupancy Rate (%)	96.0	96.2	0.2

17th FP Forecast

(announced Jan. 2015) Assumptions

【Properties】

Number of Properties : 153 properties
Total Amount of Acquisition Price : ¥165,610 million

【Repair Expenses】

¥393 million for 16th Fiscal Period
(¥136 million of which is capital expenditure)

Example)

PU Musashi Koganei (Entrance renewal) : ¥16 million
PU Shinjuku Ochiai (large-scale renovation) : ¥20 million

¥374 million for 16th Fiscal Period
(¥117 million of which is capital expenditure)

Example)

PU Tsutsumidori Amamiya (large-scale renovation) : ¥33 million
PU Azabu Juban (large-scale renovation) : ¥24 million

【Lorns】

Total Interest-bearing Debt : ¥91,220 million
(as of Jan. 19, 2015)

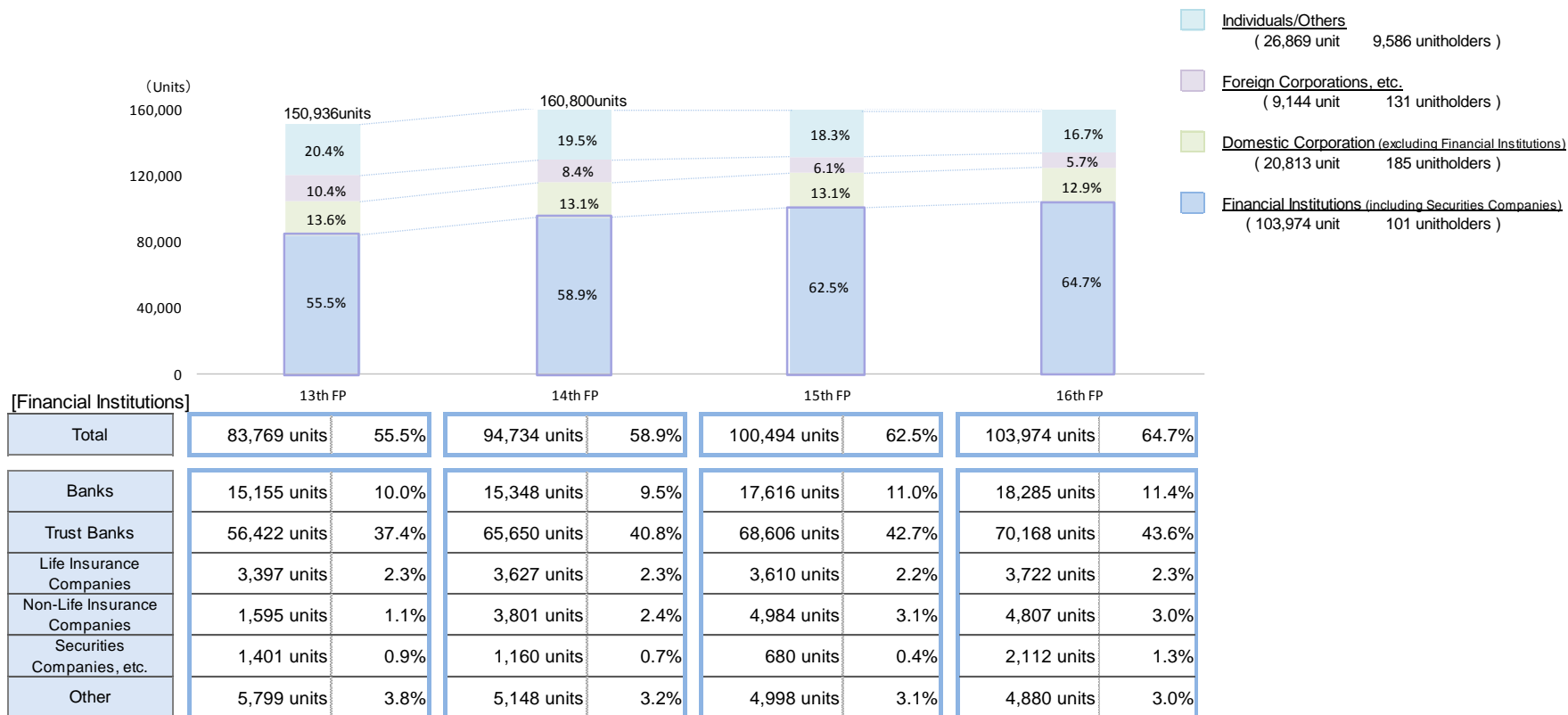
Interest-Bearing Debt Repayment Due During 17th FP(after Jan. 19, 2015)
Repayment through loans (Feb. 2015) : ¥7,700 million
Agreed Repayment(Feb. 2015) : ¥90 million

※1. Cash distribution per unit for the 17th fiscal period (ending May 2015) shown in the chart is the forecast as of January 15, 2015. Actual figures may change due to the acquisition or sales of properties, changes in real estate markets, and other conditions surrounding NRF. NRF does not guarantee the cash distribution per unit predicted in this forecast.

※2. PU stands for PRIME URBAN.



Changes in Ratio of Units Held by Unitholders



Top 10 Unitholders

#	Unitholders	Units	Ratio (%)
1	Japan Trustee Services Bank, Ltd.	46,998	29.23
2	Nomura Real Estate Development Co., Ltd.	15,240	9.48
3	Trust & Custody Services Bank, Ltd.	6,618	4.12
4	The Nomura Trust and Banking Co., Ltd.	5,848	3.64
5	The Master Trust Bank of Japan, Ltd.	5,692	3.54

#	Unitholders	Units	Ratio (%)
6	The Fuji Fire and Marine Insurance Co., Ltd.	3,212	2.00
7	Trust & Custody Services Bank, Ltd.	3,008	1.87
8	The Joyo Bank, Ltd.	2,502	1.56
9	The Fukui Bank, Ltd.	1,908	1.19
10	The Ashikaga Bank, Ltd.	1,707	1.06
Total		92,733	57.67

(Note) The Ratio is calculated as the percentage of Total Number of Owned Investment Units divided by Total Number of Issued Investment Units.

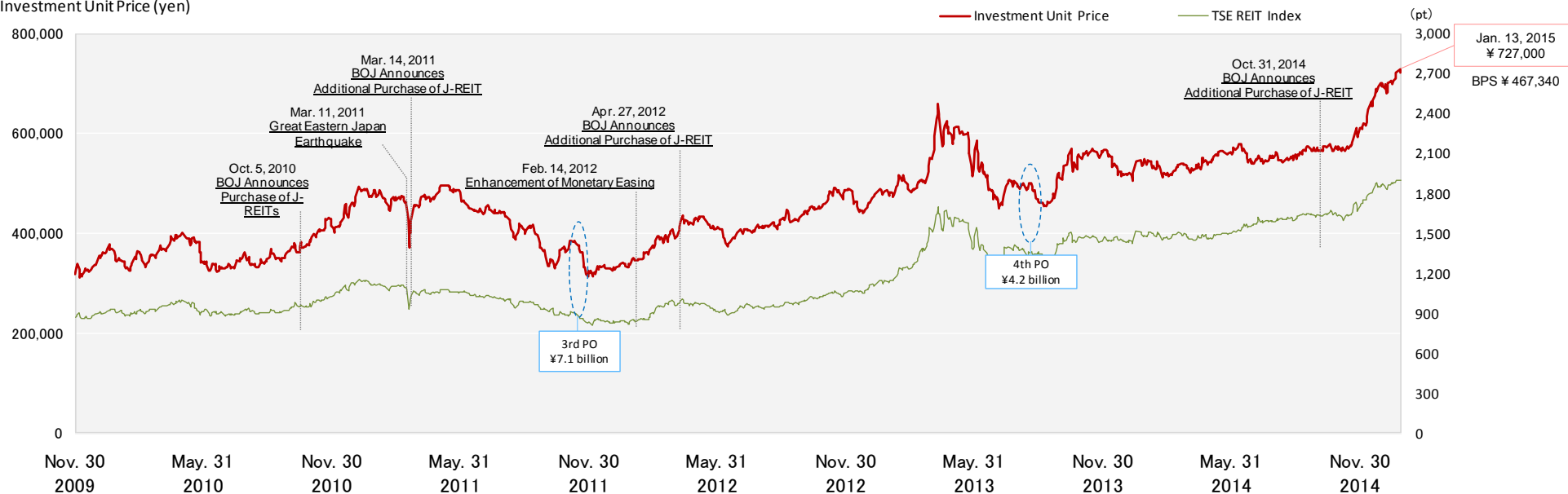


Changes in Investment Unit Price and Cash Distribution

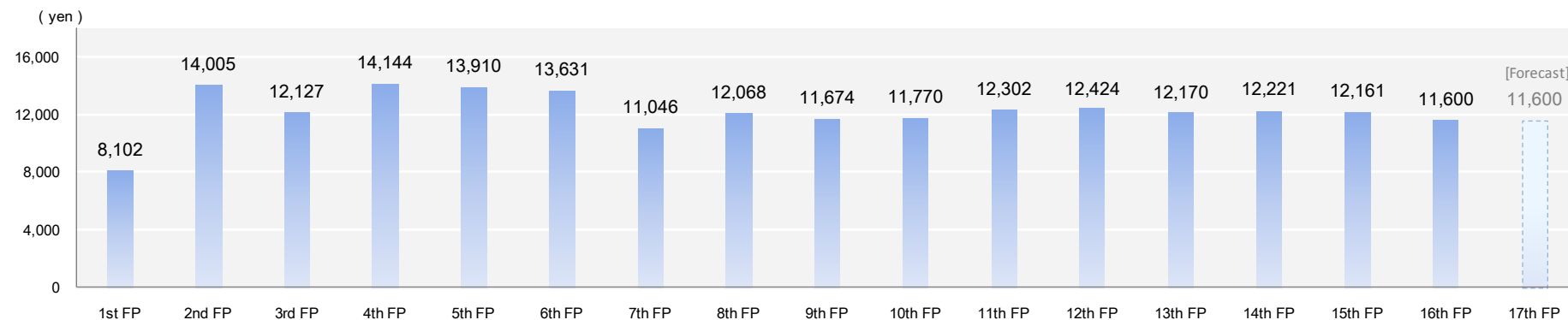
NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Changes in Investment Unit Price

Investment Unit Price (yen)



Changes in Cash Distribution





Characteristics of NRF



Specializing in rental housing



NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Acquisition Price	<u>159,310 million</u>	Number of Properties	<u>150 properties</u>	Leasable Units	<u>9,054 units</u>
Average Rent Per Unit	<u>approx. 97thousand</u>	Average Leasable Floor Area Per Unit	<u>approx. 30.0 sqm</u>	※ (16th Fiscal Period End)	

Foundation for stable profit

Priority investment in 「core units」

(rent ¥150,000 or less and floor area below 50 sqm)

Build portfolio centering on single and compact types

Highly-effective property management through management companies affiliated with real estate companies

Measures for stable performance and maintenance/improvement of competitiveness

Stable finances

Promote elongation/fixation of loans based on solid financial policies

Paying out stable cash distributions

Property acquisitions through
the sponsor's information route
(based on acquisition price)

59.4%

Ratio of commissioning to
Nomura Real Estate Partners
(based on number of cases)

76.7%

Acquisition

Management

Property development

 NOMURA REAL ESTATE DEVELOPMENT

General developer that
develops PROUD, PMO, etc.

 PROUD
FLAT

Properties planned/developed
by Nomura Real Estate
Development Co., Ltd.

Provision of property information

 NOMURA REAL ESTATE URBAN NET

Real estate broker with ample
experience

 PRIME URBAN

Primarily properties
planned/developed by
companies other than Nomura
Real Estate Development Co.,
Ltd.

Property management

 NOMURA REAL ESTATE PARTNERS

General real estate management
company with know-how cultivated
on various matters

- Number of residential units managed:
approx. 140,000 (*1)
- Management company satisfaction
ranking: 1st (6 consecutive years) (*2)

※1: Number of residential units managed is result for fiscal 2013.
※2: From "Home Surfing" by Attractors Lab Co., Ltd. (currently Style
Act Co., Ltd.).

Asset Management Company

 NOMURA REAL ESTATE ASSET MANAGEMENT

One of Japan's largest real estate asset management company with
more than ¥1 trillion balance of assets under management

(Listed REITs)

- Nomura Real Estate Residential Fund, Inc.
- Nomura Real Estate Office Fund, Inc.
- Nomura Real Estate Master Fund, Inc.

(Non-listed REIT)

- Nomura Real Estate Private REIT, Inc.

(Other)

- Private real estate funds
- Private securities funds, etc.

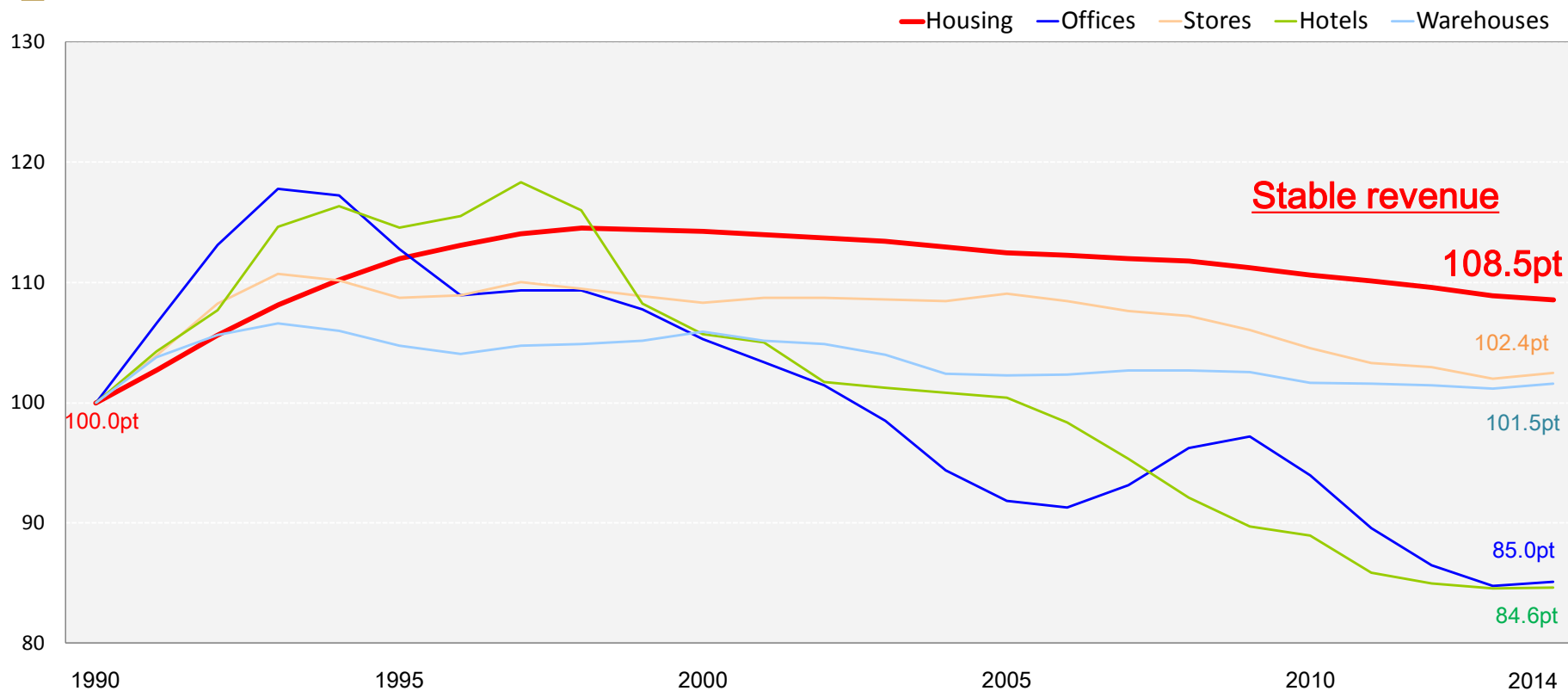


Priority Investment in Key Segments ① (Features of Rental Housing)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ The level of rent for rental housing is stable.
- ✓ Compared with other sectors, there is not much economic sensitivity and volatility is low.

Changes in Rent Index by Purpose



Source: Created by NREAM based on the Ministry of Internal Affairs and Communications "Consumer Price Index Annual Report (1990-2014)" and the Bank of Japan "Service Price Index for Companies (1990-2014)"
※ The line graph shows the index of each year with 1990 set as 100.

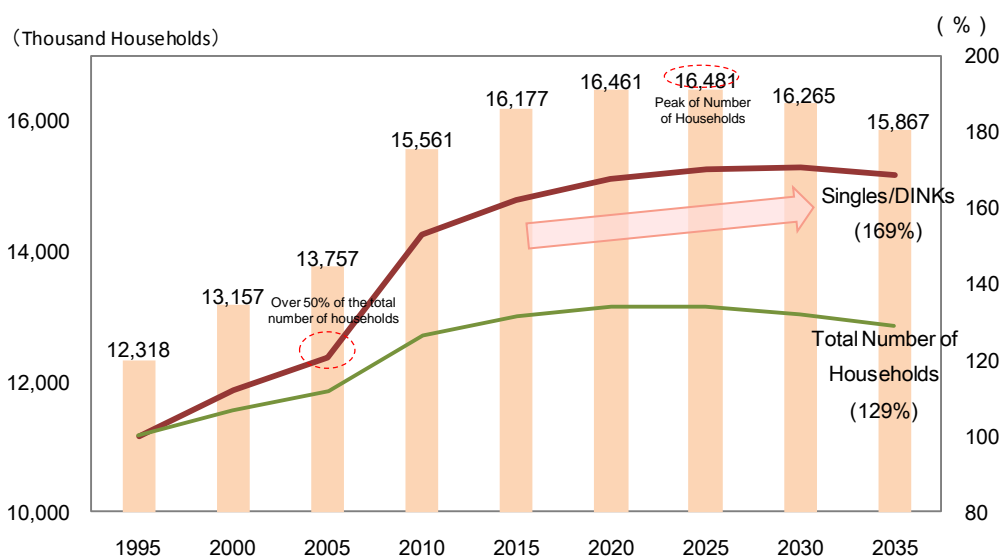


Priority Investment in Key Segments ②(Future Outlook and Demand)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ The number of singles and DINKs will continue to be on an upward trend.
- ✓ For households by income, the range from ¥4 million to ¥9 million accounts for about 50%.

Changes in Number of Households ("Total""Singles""DINKs") [Greater Tokyo Area]



Source: Created by NREAM based on the National Institute of Population and Social Security Research (IPSS) "Number of Households by Family Type, Age (five-year groups), and Sex group."

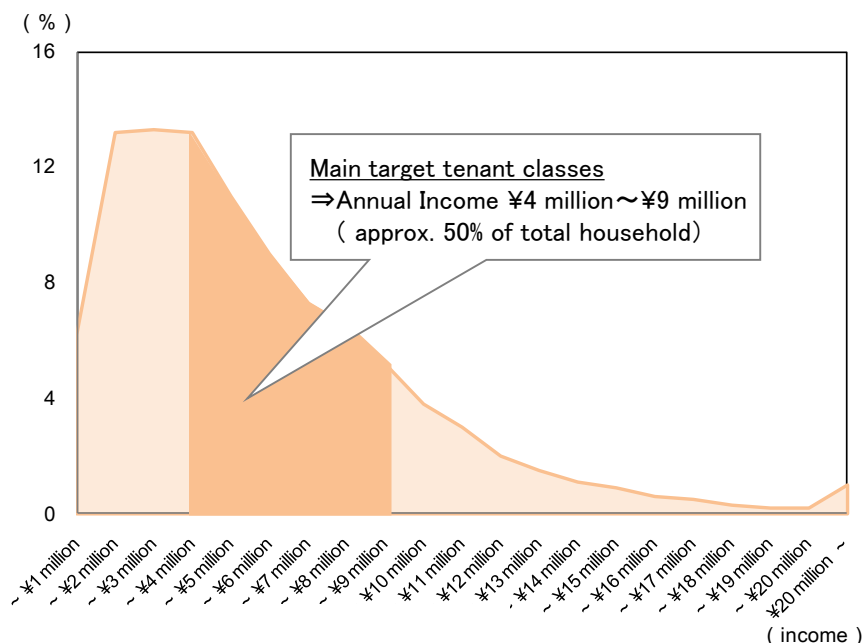
•The line graph shows changes in number of single or couple-only households and total number of households with 1995 set as 100.

✓ While the total number of households will enter a downward phase going forward, the number of singles and DINKs are expected to continue increasing



Demand for single and compact types will continue to increase

Relative Frequency Distribution of Number of Households by Income [Nationwide]



Source: The Ministry of Health, Labour and Welfare (MHLW) "Overview of National Livelihood Survey 2013"

✓ A volume zone exists in household income where stable demand is expected



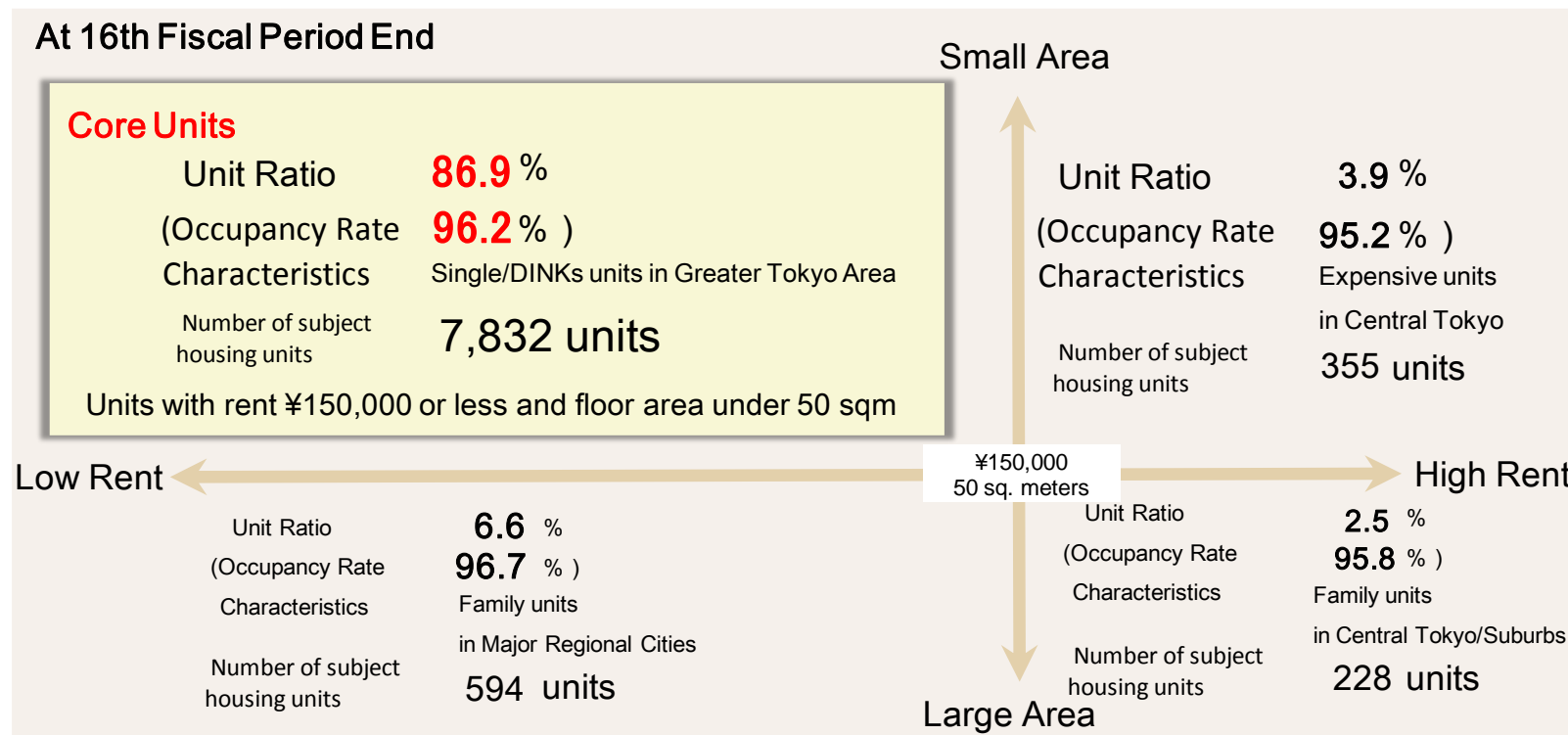
50% of total households are concentrated in the ¥4 million to ¥9 million income range



Priority Investment in Key Segments③ (Main Investment Targets of NRF)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Core Units (rent ¥150,000 or less, floor area under 50 sqm)



Target Tenant Level

Target

- Students and employees of general companies in their 20s and 30s
- Emphasizes convenience of commuting and rent
- Impact of economy on annual income (disposable earnings) is low

Features

Rent ¥150,000 or less and floor area below 50 sqm
Stable demand is expected to continue going forward

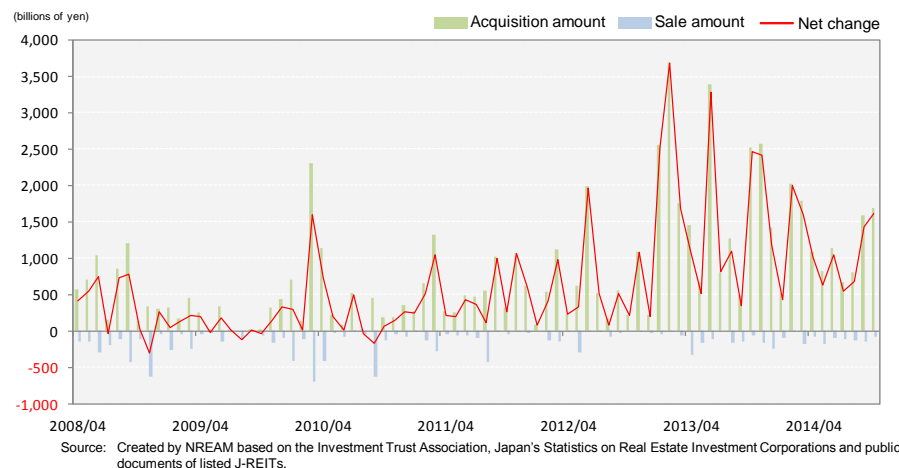


Rental Housing Investment Characteristics

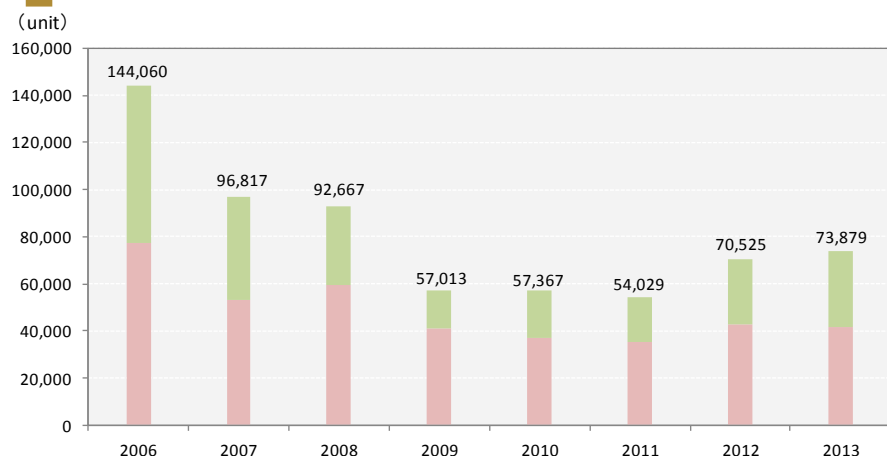
NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ Real estate acquisition and sale amounts increased in 2013 and expected yields have decreased
- ✓ The supply of new properties continues to be at a low level and demand from single and DINKs households is expected to be stable

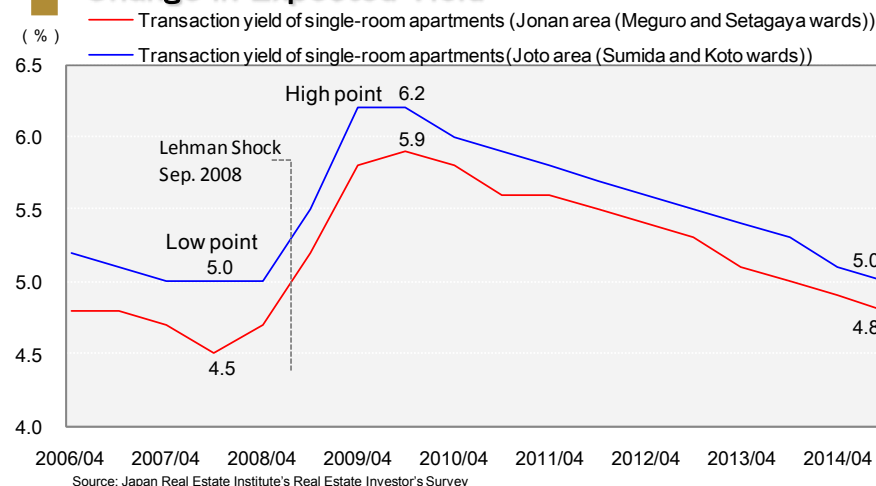
Change in J-REIT Real Estate Acquisition and Sale Amount



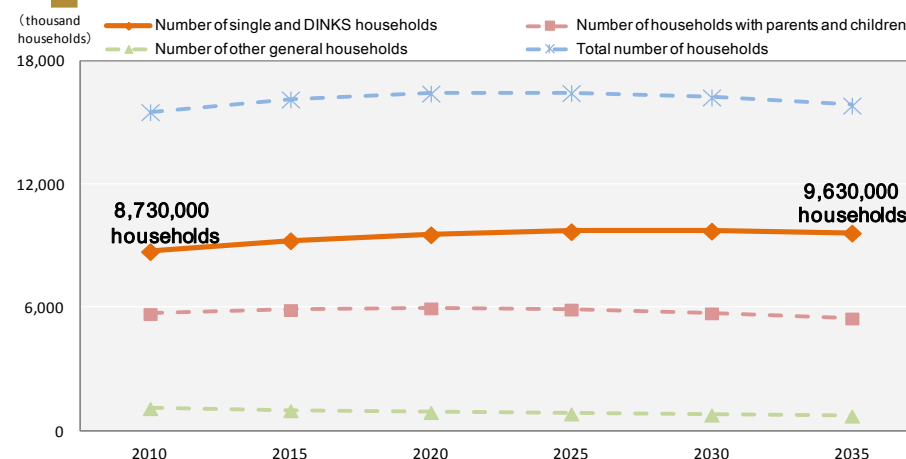
Supply of New Properties (Number of Building Starts)



Change in Expected Yield

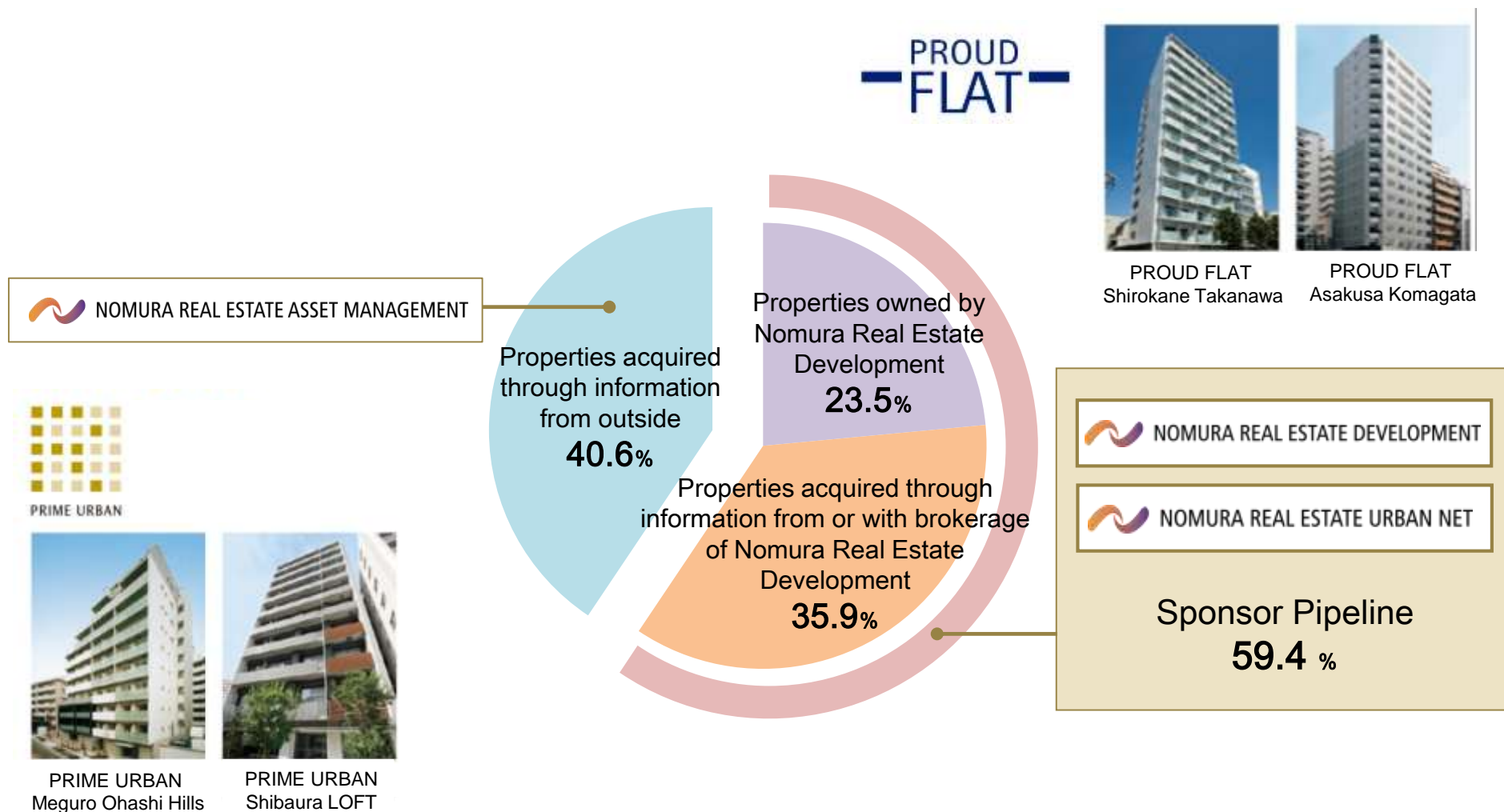


Projections on Number of Households





Breakdown of Acquired Properties by Sourcing Route





Diversification Within Assets

Improve portfolio stability through promotion of diversification

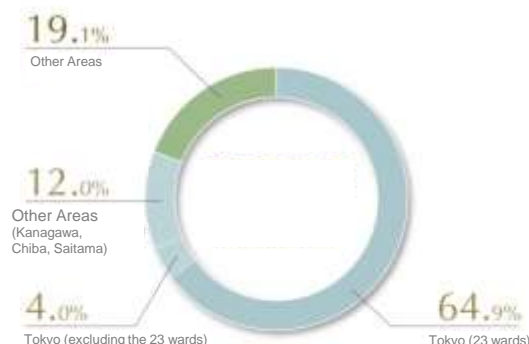
⇒ Top 10 Properties **19.5%**



Investment Area

Greater Tokyo Area 70% or more Other Areas 30% or less

⇒ Greater Tokyo Area **80.9%**



Nearest Station on Foot

Selection focusing on accessibility to the nearest railway stations

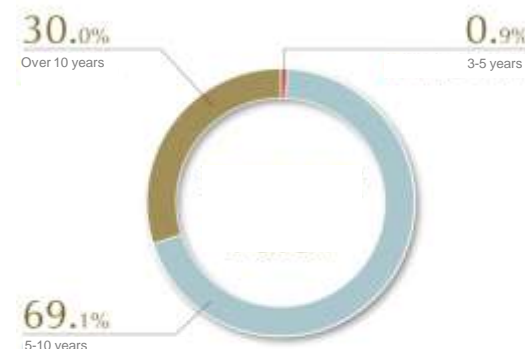
⇒ Within 10 min. **94.0%**



Building Age

Considering the combination of various building age to avoid the bias of large-scale repair expenses

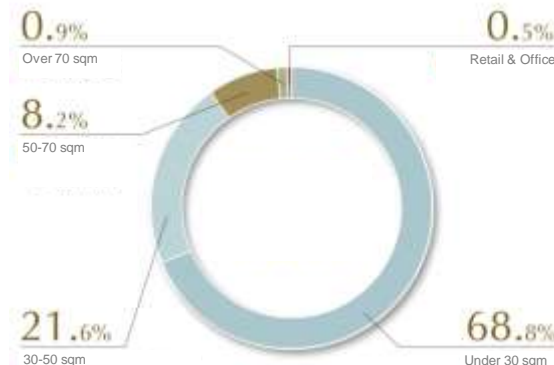
⇒ Average Building Age **10.8 Years**



Floor Area Per Unit

Investing in properties targeting single/DINKS/young family households for the foreseeable future

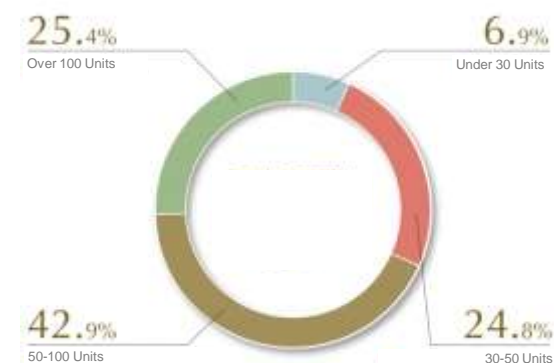
⇒ Under 50 sqm **90.4%**



Units Per Property

Investing in properties with strong lease-up potential in a short timeframe

⇒ Average Unit Per Property **59 Units**



※. In the above graphs, "floor area per unit" as of the end of November 2014 is based on the number units while other figures are based on acquisition price.

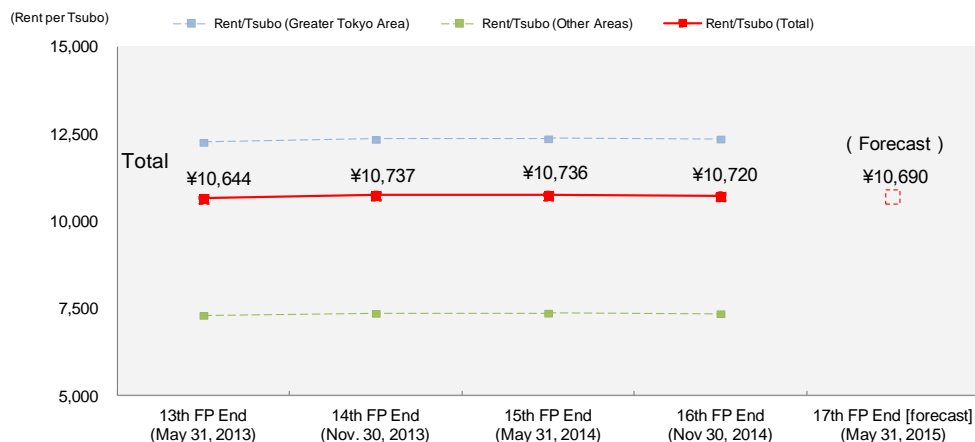


Changes in Revenue

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

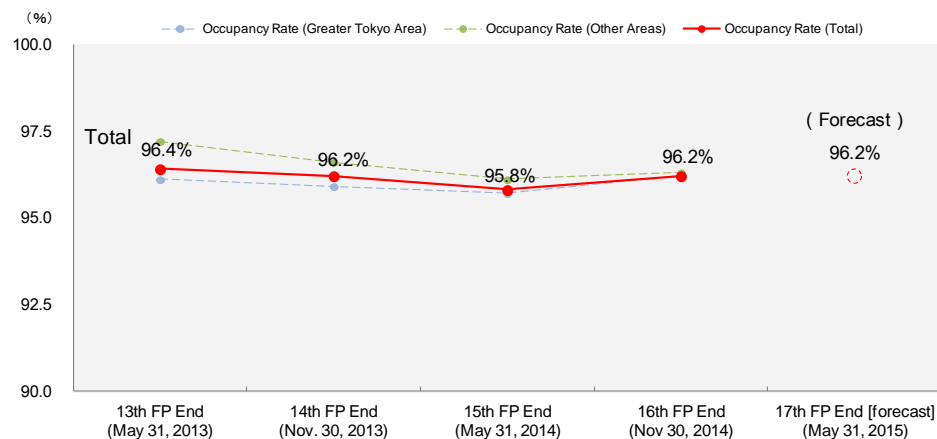
Changes in Rent per Tsubo and Occupancy Rate (13th FP End-17th FP End (forecast))

[Rent per Tsubo]



		13th FP End (May 31, 2013)	14th FP End (Nov. 30, 2013)	15th FP End (May 31, 2014)	16th FP End (Nov 30, 2014)	17th FP End [forecast] (May 31, 2015)
Rent per Tsubo	Total	¥10,644	¥10,737	¥10,736	¥10,720	¥10,690
	Greater Tokyo	¥12,264	¥12,349	¥12,366	¥12,361	¥12,331
	Other Areas	¥7,302	¥7,360	¥7,366	¥7,351	¥7,323

[Occupancy Rate]



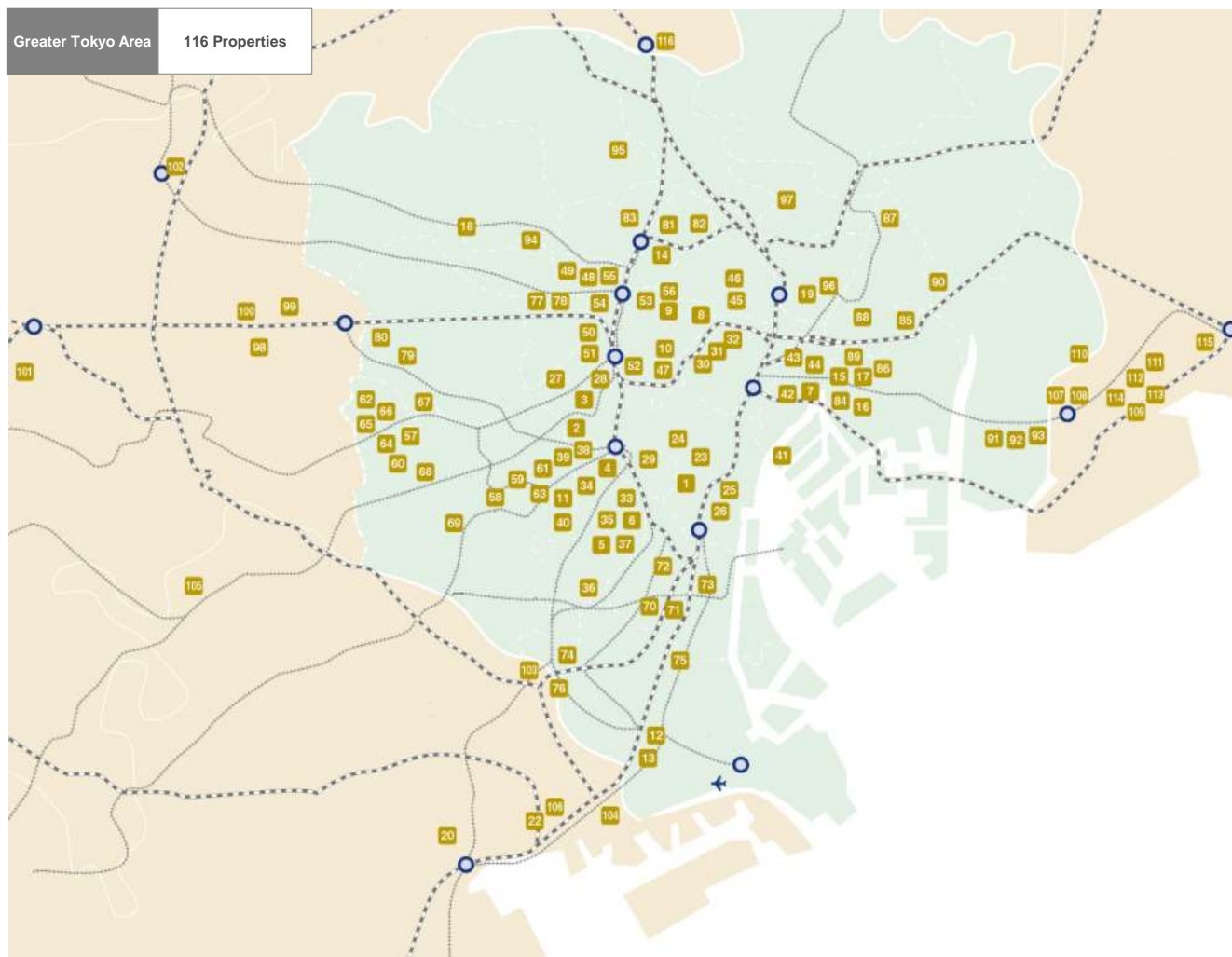
		13th FP End (May 31, 2013)	14th FP End (Nov. 30, 2013)	15th FP End (May 31, 2014)	16th FP End (Nov 30, 2014)	17th FP End [forecast] (May 31, 2015)
Occupancy Rate	Total	96.4%	96.2%	95.8%	96.2%	96.2%
	Greater Tokyo	96.1%	95.9%	95.7%	96.2%	96.0%
	Other Areas	97.2%	96.6%	96.1%	96.3%	96.6%

		13th FP End (May 31, 2013)	14th FP End (Nov. 30, 2013)	15th FP End (May 31, 2014)	16th FP End (Nov 30, 2014)	17th FP End [forecast] (May 31, 2015)
(Reference)	Turnover Ratio	13.2%	10.0%	14.2%	10.9%	14.6%



Portfolio Map (Greater Tokyo Area)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

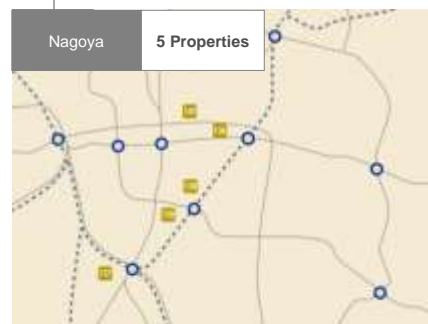


1	PROUD FLAT Shirokane Takanawa	59	PRIME URBAN Sangen Jaya III
2	PROUD FLAT Yoyogi Uehara	60	PRIME URBAN Chitose Karasuyama
3	PROUD FLAT Hatsudai	61	PRIME URBAN Sangen Jaya II
4	PROUD FLAT Shibuya Sakuragaoka	62	PRIME URBAN Karasuyama
5	PROUD FLAT Gakugei Daigaku	63	PRIME URBAN Sangen Jaya
6	PROUD FLAT Meguro Gyoninzaka	64	PRIME URBAN Minami Karasuyama
7	PROUD FLAT Sumida Riverside	65	PRIME URBAN Karasuyama Galleria
8	PROUD FLAT Kagurazaka	66	PRIME URBAN Karasuyama Court
9	PROUD FLAT Waseda	67	PRIME URBAN Kamikazawa
10	PROUD FLAT Shinjuku Kaw adacho	68	PRIME URBAN Chitose Funabashi
11	PROUD FLAT Sangen Jaya	69	PRIME URBAN Yoda
12	PROUD FLAT Kamata	70	PRIME URBAN Shinagawa Nishi
13	PROUD FLAT Kamata II	71	PRIME URBAN Omachi
14	PROUD FLAT Shinjuku	72	PRIME URBAN Osaki
15	PROUD FLAT Kyosumi Shirakawa	73	PRIME URBAN Omachi II
16	PROUD FLAT Monzen Nakacho II	74	PRIME URBAN Yukiya
17	PROUD FLAT Monzen Nakacho I	75	PRIME URBAN Omori
18	PROUD FLAT Fujimori	76	PRIME URBAN Denenchofu Minami
19	PROUD FLAT Asakusa Komagata	77	PRIME URBAN Nakano
20	PROUD FLAT Yokohama	78	PRIME URBAN Nakano Kamitakada
21	PROUD FLAT Kamikooka	79	PRIME URBAN Takaoka
22	PROUD FLAT Tsurumi II	80	PRIME URBAN Nishi Ogikubo
23	PRIME URBAN Azabu Juban	81	PRIME URBAN Otuka
24	PRIME URBAN Akasaka	82	PRIME URBAN Komagome
25	PRIME URBAN Tamachi	83	PRIME URBAN Ikebukuro
26	PRIME URBAN Shibaura	84	PRIME URBAN Monzen Nakacho
27	PRIME URBAN Hatagaya	85	PRIME URBAN Kameido
28	PRIME URBAN Yoyogi	86	PRIME URBAN Sumiyoshi
29	PRIME URBAN Ebisu II	87	PRIME URBAN Mukojima
30	PRIME URBAN Bancho	88	PRIME URBAN Kinshi Koen
31	PRIME URBAN Chiyoda Fujimi	89	PRIME URBAN Kinshicho
32	PRIME URBAN Iidabashi	90	PRIME URBAN Hirai
33	PRIME URBAN Ebisu	91	PRIME URBAN Kasai
34	PRIME URBAN Naka Meguro	92	PRIME URBAN Kasai II
35	PRIME URBAN Gakugei Daigaku	93	PRIME URBAN Kasai East
36	PRIME URBAN Senzoku	94	PRIME URBAN Eboda
37	PRIME URBAN Meguro Riverside	95	PRIME URBAN Itabashi Kuyakushomae
38	PRIME URBAN Meguro Ohashi Hills	96	PRIME URBAN Asakusa
39	PRIME URBAN Meguro Aobadai	97	PRIME URBAN Machiya South Court
40	PRIME URBAN Gakugei Daigaku II	98	PRIME URBAN Musashi Koganei
41	PRIME URBAN Kachidoki	99	PRIME URBAN Musashino Hills
42	PRIME URBAN Shinkawa	100	PRIME URBAN Koganei Honcho
43	PRIME URBAN Nhonbashi Yokoyamacho	101	PRIME URBAN Hino
44	PRIME URBAN Nhonbashi Hamacho	102	PRIME URBAN Kumegawa
45	PRIME URBAN Hongo Kizaka	103	PRIME URBAN Musashi Kosugi comodo
46	PRIME URBAN Hakusan	104	PRIME URBAN Kaw asaki
47	PRIME URBAN Yotsuya Gaen Higashi	105	PRIME URBAN Shinyuigaoka
48	PRIME URBAN Naka Ochiai	106	PRIME URBAN Tsurumi Terraya
49	PRIME URBAN Ochiai	107	PRIME URBAN Urayasu II
50	PRIME URBAN Nishi Shinjuku I	108	PRIME URBAN Urayasu
51	PRIME URBAN Nishi Shinjuku II	109	PRIME URBAN Gyotoku I
52	PRIME URBAN Shinjuku Naitomachi	110	PRIME URBAN Minami Gyotoku II
53	PRIME URBAN Nishi Waseda	111	PRIME URBAN Gyotoku II
54	PRIME URBAN Shinjuku Ochiai	112	PRIME URBAN Gyotoku Ekimae
55	PRIME URBAN Meijo	113	PRIME URBAN Gyotoku Ekimae II
56	PRIME URBAN Kagurazaka	114	PRIME URBAN Gyotoku III
57	PRIME URBAN Roka Koen	115	PRIME URBAN Nishi Funabashi
58	PRIME URBAN Kamima	116	PRIME URBAN Kaw aguchi



Portfolio Map (Other Areas)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.





#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (Nov. 2014)(%)
1	PROUD FLAT Shirokane Takanawa	Minato-ku, Tokyo	3,510,000	2.2	2,950.11	106	92.6
2	PROUD FLAT Yoyogi Uehara	Shibuya-ku, Tokyo	1,100,000	0.7	1,151.34	44	97.9
3	PROUD FLAT Hatsudai	Shibuya-ku, Tokyo	865,000	0.5	958.98	31	100.0
4	PROUD FLAT Shibuya Sakuragaoka	Shibuya-ku, Tokyo	800,000	0.5	638.70	30	96.7
5	PROUD FLAT Gakugei Daigaku	Meguro-ku, Tokyo	812,000	0.5	934.39	41	95.2
6	PROUD FLAT Meguro Gyoninzaka	Meguro-ku, Tokyo	882,000	0.6	855.23	40	100.0
7	PROUD FLAT Sumida Riverside	Chuo-ku, Tokyo	2,260,000	1.4	3,055.21	110	97.8
8	PROUD FLAT Kagurazaka	Shinjuku-ku, Tokyo	1,540,000	1.0	1,793.43	70	97.5
9	PROUD FLAT Waseda	Shinjuku-ku, Tokyo	1,110,000	0.7	1,450.91	60	91.7
10	PROUD FLAT Shinjuku Kawadacho	Shinjuku-ku, Tokyo	1,010,000	0.6	1,102.20	41	97.1
11	PROUD FLAT Sangen Jaya	Setagaya-ku, Tokyo	1,350,000	0.8	1,277.82	48	94.3
12	PROUD FLAT Kamata	Ota-ku, Tokyo	1,140,000	0.7	1,541.64	67	95.8
13	PROUD FLAT Kamata II	Ota-ku, Tokyo	2,980,000	1.9	4,051.72	169	97.5
14	PROUD FLAT Shinotsuka	Toshima-ku, Tokyo	695,000	0.4	752.09	35	100.0
15	PROUD FLAT Kiyosumi Shirakawa	Koto-ku, Tokyo	900,000	0.6	1,209.56	55	100.0
16	PROUD FLAT Monzen Nakacho II	Koto-ku, Tokyo	650,000	0.4	830.55	35	100.0
17	PROUD FLAT Monzen Nakacho I	Koto-ku, Tokyo	1,130,000	0.7	1,191.08	55	96.3
18	PROUD FLAT Fujimidai	Nerima-ku, Tokyo	1,370,000	0.9	2,222.05	94	100.0
19	PROUD FLAT Asakusa Komagata	Taito-ku, Tokyo	1,960,000	1.2	2,685.39	79	99.0
20	PROUD FLAT Yokohama	Yokohama-shi, Kanagawa	2,340,000	1.5	3,118.12	113	95.4
21	PROUD FLAT Kamioooka	Yokohama-shi, Kanagawa	2,770,000	1.7	4,872.17	200	100.0
22	PROUD FLAT Tsurumi II	Yokohama-shi, Kanagawa	1,430,000	0.9	2,219.74	81	95.2
23	PRIME URBAN Azabu Juban	Minato-ku, Tokyo	991,000	0.6	1,222.13	40	93.2
24	PRIME URBAN Akasaka	Minato-ku, Tokyo	956,000	0.6	1,062.05	25	90.0
25	PRIME URBAN Tamachi	Minato-ku, Tokyo	941,000	0.6	1,107.36	48	100.0
26	PRIME URBAN Shibaura LOFT	Minato-ku, Tokyo	1,510,000	0.9	1,905.39	68	91.2
27	PRIME URBAN Hatagaya	Shibuya-ku, Tokyo	452,000	0.3	650.60	38	94.6
28	PRIME URBAN Yoyogi	Shibuya-ku, Tokyo	408,000	0.3	439.56	19	100.0
29	PRIME URBAN Ebisu II	Shibuya-ku, Tokyo	1,030,000	0.6	1,184.85	35	100.0
30	PRIME URBAN Bancho	Chiyoda-ku, Tokyo	1,170,000	0.7	1,277.04	52	96.0
31	PRIME URBAN Chiyoda Fujimi	Chiyoda-ku, Tokyo	707,000	0.4	793.87	32	93.8
32	PRIME URBAN Iidabashi	Chiyoda-ku, Tokyo	2,030,000	1.3	2,087.70	90	96.8
33	PRIME URBAN Ebisu	Meguro-ku, Tokyo	1,200,000	0.8	1,444.40	29	92.8
34	PRIME URBAN Naka Meguro	Meguro-ku, Tokyo	1,320,000	0.8	1,302.42	49	91.8
35	PRIME URBAN Gakugei Daigaku	Meguro-ku, Tokyo	886,000	0.6	1,008.39	32	90.9
36	PRIME URBAN Sensoku	Meguro-ku, Tokyo	536,000	0.3	655.27	22	93.7



#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (Nov. 2014)(%)
37	PRIME URBAN Meguro Riverside	Meguro-ku, Tokyo	464,000	0.3	453.77	24	91.5
38	PRIME URBAN Meguro Ohashi Hills	Meguro-ku, Tokyo	3,580,000	2.2	2,955.74	99	97.4
39	PRIME URBAN Meguro Aobadai	Meguro-ku, Tokyo	1,190,000	0.7	1,464.14	40	97.7
40	PRIME URBAN Gakugei Daigakull	Meguro-ku, Tokyo	916,000	0.6	1,109.87	41	95.7
41	PRIME URBAN Kachidoki	Chuo-ku, Tokyo	2,290,000	1.4	4,524.00	145	97.2
42	PRIME URBAN Shinkawa	Chuo-ku, Tokyo	2,250,000	1.4	3,600.61	46	98.3
43	PRIME URBAN Nihonbashi Yokoyamacho	Chuo-ku, Tokyo	3,530,000	2.2	5,926.17	124	99.2
44	PRIME URBAN Nihonbashi Hamacho	Chuo-ku, Tokyo	1,470,000	0.9	2,026.44	52	91.2
45	PRIME URBAN Hongo Ikizaka	Bunkyo-ku, Tokyo	647,000	0.4	662.58	27	100.0
46	PRIME URBAN Hakusan	Bunkyo-ku, Tokyo	893,000	0.6	1,069.82	42	100.0
47	PRIME URBAN Yotsuya Gaien Higashi	Shinjuku-ku, Tokyo	1,700,000	1.1	1,759.11	51	98.2
48	PRIME URBAN Naka Ochiai	Shinjuku-ku, Tokyo	655,000	0.4	1,237.98	18	94.6
49	PRIME URBAN Ochiai	Shinjuku-ku, Tokyo	324,000	0.2	517.53	32	90.9
50	PRIME URBAN Nishi Shinjuku I	Shinjuku-ku, Tokyo	1,290,000	0.8	1,459.86	60	100.0
51	PRIME URBAN Nishi Shinjuku II	Shinjuku-ku, Tokyo	1,000,000	0.6	1,162.55	46	93.9
52	PRIME URBAN Shinjuku Naitomachi	Shinjuku-ku, Tokyo	512,000	0.3	578.18	14	86.1
53	PRIME URBAN Nishi Waseda	Shinjuku-ku, Tokyo	503,000	0.3	507.11	28	57.1
54	PRIME URBAN Shinjuku Ochiai	Shinjuku-ku, Tokyo	635,000	0.4	1,053.39	28	96.1
55	PRIME URBAN Mejiro	Shinjuku-ku, Tokyo	1,260,000	0.8	1,755.52	65	95.3
56	PRIME URBAN Kagurazaka	Shinjuku-ku, Tokyo	2,640,000	1.7	2,853.82	100	95.7
57	PRIME URBAN Roka Koen	Setagaya-ku, Tokyo	362,000	0.2	567.20	34	94.2
58	PRIME URBAN Kamiuma	Setagaya-ku, Tokyo	900,000	0.6	1,739.86	37	100.0
59	PRIME URBAN Sangen Jayalll	Setagaya-ku, Tokyo	755,000	0.5	1,018.72	47	100.0
60	PRIME URBAN Chitose Karasuyama	Setagaya-ku, Tokyo	730,000	0.5	1,774.01	27	97.3
61	PRIME URBAN Sangen Jaya II	Setagaya-ku, Tokyo	539,000	0.3	810.98	17	78.8
62	PRIME URBAN Karasuyama	Setagaya-ku, Tokyo	344,000	0.2	507.52	28	86.3
63	PRIME URBAN Sangen Jaya	Setagaya-ku, Tokyo	835,000	0.5	874.15	33	97.1
64	PRIME URBAN Minami Karasuyama	Setagaya-ku, Tokyo	840,000	0.5	1,049.73	41	97.6
65	PRIME URBAN Karasuyama Galleria	Setagaya-ku, Tokyo	645,000	0.4	835.05	33	94.0
66	PRIME URBAN Karasuyama Court	Setagaya-ku, Tokyo	413,000	0.3	576.20	23	95.7
67	PRIME URBAN Kamikitazawa	Setagaya-ku, Tokyo	738,000	0.5	1,384.45	29	86.5
68	PRIME URBAN Chitose Funabashi	Setagaya-ku, Tokyo	885,000	0.6	1,027.44	38	97.6
69	PRIME URBAN Yoga	Setagaya-ku, Tokyo	1,150,000	0.7	1,773.05	54	97.6
70	PRIME URBAN Shinagawa Nishi	Shinagawa-ku, Tokyo	624,000	0.4	961.25	46	97.9
71	PRIME URBAN Oimachi	Shinagawa-ku, Tokyo	530,000	0.3	722.70	45	95.6
72	PRIME URBAN Osaki	Shinagawa-ku, Tokyo	1,700,000	1.1	2,106.16	99	99.0



Portfolio

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (Nov. 2014)(%)
73	PRIME URBAN Oimachi II	Shinagawa-ku, Tokyo	1,100,000	0.7	1,794.85	93	96.4
74	PRIME URBAN Yukigaya	Ota-ku, Tokyo	970,000	0.6	1,536.59	94	94.7
75	PRIME URBAN Omori	Ota-ku, Tokyo	824,000	0.5	1,190.70	54	98.1
76	PRIME URBAN Denenchofu Minami	Ota-ku, Tokyo	900,000	0.6	1,100.17	44	96.1
77	PRIME URBAN Nakano	Nakano-ku, Tokyo	472,000	0.3	801.30	51	92.9
78	PRIME URBAN Nakano Kamitakada	Nakano-ku, Tokyo	640,000	0.4	818.75	33	97.5
79	PRIME URBAN Takaido	Suginami-ku, Tokyo	1,080,000	0.7	1,746.20	107	89.9
80	PRIME URBAN Nishi Ogikubo	Suginami-ku, Tokyo	435,000	0.3	543.09	24	88.1
81	PRIME URBAN Otsuka	Toshima-ku, Tokyo	794,000	0.5	944.99	46	100.0
82	PRIME URBAN Komagome	Toshima-ku, Tokyo	412,000	0.3	991.94	22	90.5
83	PRIME URBAN Ikebukuro	Toshima-ku, Tokyo	3,310,000	2.1	4,376.95	131	96.2
84	PRIME URBAN Monzen Nakacho	Koto-ku, Tokyo	2,200,000	1.4	3,207.92	118	98.3
85	PRIME URBAN Kameido	Koto-ku, Tokyo	705,000	0.4	1,117.34	52	96.1
86	PRIME URBAN Sumiyoshi	Koto-ku, Tokyo	552,000	0.3	813.52	40	94.9
87	PRIME URBAN Mukojima	Sumida-ku, Tokyo	487,000	0.3	1,108.91	55	94.6
88	PRIME URBAN Kinshi Koen	Sumida-ku, Tokyo	1,180,000	0.7	1,886.50	77	98.7
89	PRIME URBAN Kinshicho	Sumida-ku, Tokyo	668,000	0.4	991.62	49	100.0
90	PRIME URBAN Hirai	Edogawa-ku, Tokyo	700,000	0.4	1,095.91	53	94.3
91	PRIME URBAN Kasai	Edogawa-ku, Tokyo	637,000	0.4	905.81	45	100.0
92	PRIME URBAN Kasai II	Edogawa-ku, Tokyo	958,000	0.6	1,437.84	68	97.1
93	PRIME URBAN Kasai East	Edogawa-ku, Tokyo	940,000	0.6	1,884.62	78	100.0
94	PRIME URBAN Ekoda	Nerima-ku, Tokyo	385,000	0.2	872.49	35	100.0
95	PRIME URBAN Itabashi Kuyakushomae	Itabashi-ku, Tokyo	940,000	0.6	1,742.64	68	94.9
96	PRIME URBAN Asakusa	Taito-ku, Tokyo	350,000	0.2	876.70	22	95.4
97	PRIME URBAN Machiya South Court	Arakawa-ku, Tokyo	1,740,000	1.1	4,141.56	77	97.7
98	PRIME URBAN Musashi Koganei	Koganei-shi, Tokyo	2,390,000	1.5	5,999.80	98	94.9
99	PRIME URBAN Musashino Hills	Koganei-shi, Tokyo	1,590,000	1.0	2,961.06	80	95.1
100	PRIME URBAN Koganei Honcho	Koganei-shi, Tokyo	725,000	0.5	1,604.72	43	86.9
101	PRIME URBAN Hino	Hino-shi, Tokyo	319,000	0.2	994.68	54	98.1
102	PRIME URBAN Kumegawa	Higashimurayama-shi, Tokyo	1,370,000	0.9	2,610.05	91	95.7
103	PRIME URBAN Musashi Kosugi comodo	Kawasaki-shi, Kanagawa	2,150,000	1.3	3,692.44	56	98.4
104	PRIME URBAN Kawasaki	Kawasaki-shi, Kanagawa	1,150,000	0.7	1,706.46	80	96.9
105	PRIME URBAN Shinyurigaoka	Kawasaki-shi, Kanagawa	1,210,000	0.8	1,708.19	64	100.0
106	PRIME URBAN Tsurumi Teraya	Yokohama-shi, Kanagawa	457,000	0.3	952.06	50	92.0
107	PRIME URBAN Urayasu II	Urayasu-shi, Chiba	277,000	0.2	437.94	27	100.0
108	PRIME URBAN Urayasu	Urayasu-shi, Chiba	840,000	0.5	1,264.84	60	96.7



#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (Nov. 2014)(%)
109	PRIME URBAN Gyotoku I	Ichikawa-shi, Chiba	635,000	0.4	1,151.36	52	88.5
110	PRIME URBAN Minami Gyotoku III	Ichikawa-shi, Chiba	263,000	0.2	542.69	33	100.0
111	PRIME URBAN Gyotoku II	Ichikawa-shi, Chiba	741,000	0.5	1,244.00	58	100.0
112	PRIME URBAN Gyotoku Ekimae	Ichikawa-shi, Chiba	476,000	0.3	778.19	37	91.9
113	PRIME URBAN Gyotoku Ekimaell	Ichikawa-shi, Chiba	561,000	0.4	927.33	46	97.8
114	PRIME URBAN Gyotokulll	Ichikawa-shi, Chiba	948,000	0.6	1,766.47	77	88.3
115	PRIME URBAN Nishi Funabashi	Funabashi-shi, Chiba	772,000	0.5	1,237.80	60	100.0
116	PRIME URBAN Kawaguchi	Kawaguchi-shi, Saitama	2,170,000	1.4	2,477.11	98	100.0
	Greater Tokyo Area		128,903,000	80.9	183,396.22	6,596	96.2
117	PROUD FLAT Itsutsubashi	Sendai-shi, Miyagi	682,000	0.4	1,861.56	60	100.0
118	PROUD FLAT Kawaramachi	Sendai-shi, Miyagi	724,000	0.5	1,967.54	64	95.7
119	PROUD FLAT Shin Osaka	Osaka-shi, Osaka	1,430,000	0.9	2,990.68	112	98.3
120	PRIME URBAN Yamahana	Sapporo-shi, Hokkaido	377,000	0.2	1,518.58	33	100.0
121	PRIME URBAN Kita Juyo Jo	Sapporo-shi, Hokkaido	336,000	0.2	1,155.60	36	84.9
122	PRIME URBAN Odori Koen I	Sapporo-shi, Hokkaido	530,000	0.3	1,850.20	53	100.0
123	PRIME URBAN Odori Koen II	Sapporo-shi, Hokkaido	322,000	0.2	1,148.72	36	100.0
124	PRIME URBAN Kita Juichi Jo	Sapporo-shi, Hokkaido	600,000	0.4	1,851.39	60	100.0
125	PRIME URBAN Miyanosawa	Sapporo-shi, Hokkaido	576,200	0.4	2,114.53	54	96.2
126	PRIME URBAN Odori Higashi	Sapporo-shi, Hokkaido	424,000	0.3	1,494.36	36	96.8
127	PRIME URBAN Chiji Kokan	Sapporo-shi, Hokkaido	337,900	0.2	1,007.30	42	95.2
128	PRIME URBAN Maruyama	Sapporo-shi, Hokkaido	283,200	0.2	911.07	27	100.0
129	PRIME URBAN Kita Nijuyo Jo	Sapporo-shi, Hokkaido	503,700	0.3	1,773.90	36	100.0
130	PRIME URBAN Sapporo Idaimae	Sapporo-shi, Hokkaido	731,600	0.5	2,439.90	58	96.8
131	PRIME URBAN Sapporo Riverfront	Sapporo-shi, Hokkaido	3,500,000	2.2	15,552.59	311	96.7
132	PRIME URBAN Kita Sanjo Dori	Sapporo-shi, Hokkaido	1,450,000	0.9	5,094.29	114	99.0
133	PRIME URBAN Nagamachi Icchome	Sendai-shi, Miyagi	1,110,000	0.7	3,411.24	60	98.0
134	PRIME URBAN Yaotome Chuo	Sendai-shi, Miyagi	428,000	0.3	1,380.21	43	100.0
135	PRIME URBAN Tsutsumidori Amamiya	Sendai-shi, Miyagi	969,000	0.6	4,251.91	65	98.2
136	PRIME URBAN Aoi	Nagoya-shi, Aichi	724,000	0.5	1,571.04	46	98.1
137	PRIME URBAN Kanayama	Nagoya-shi, Aichi	632,000	0.4	1,391.02	58	100.0
138	PRIME URBAN Tsurumai	Nagoya-shi, Aichi	1,189,096	0.7	2,502.11	104	97.1
139	PRIME URBAN Kamimaezu	Nagoya-shi, Aichi	1,250,000	0.8	3,541.43	101	96.2
140	PRIME URBAN Izumi	Nagoya-shi, Aichi	2,800,000	1.8	7,543.10	250	96.4
141	PRIME URBAN Esaka I	Suita-shi, Osaka	672,000	0.4	1,189.12	48	83.4
142	PRIME URBAN Esaka II	Suita-shi, Osaka	790,000	0.5	1,392.00	57	91.4
143	PRIME URBAN Esaka III	Suita-shi, Osaka	1,535,000	1.0	2,151.67	79	90.6



#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (Nov. 2014)(%)
144	PRIME URBAN Tamatsukuri	Osaka-shi, Osaka	906,000	0.6	2,373.10	80	91.3
145	PRIME URBAN Sakaisuji Honmachi	Osaka-shi, Osaka	1,780,000	1.1	3,909.90	82	94.8
146	PRIME URBAN Hakata	Fukuoka-shi, Fukuoka	830,000	0.5	2,176.23	67	92.3
147	PRIME URBAN Yakuin Minami	Fukuoka-shi, Fukuoka	351,000	0.2	897.84	34	93.1
148	PRIME URBAN Kashii	Fukuoka-shi, Fukuoka	396,000	0.2	1,222.34	39	88.4
149	PRIME URBAN Hakata Higashi	Fukuoka-shi, Fukuoka	693,000	0.4	1,854.13	65	95.7
150	PRIME URBAN Chihaya	Fukuoka-shi, Fukuoka	545,000	0.3	1,740.70	48	94.1
	Other Areas		30,407,696	19.1	89,231.30	2,458	96.3
	Total		159,310,696	100.0	272,627.52	9,054	96.2



Changes in Financial Performance

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

		11th FP	12th FP	13th FP	14th FP	15th FP	16th FP
Operating Revenues	million yen	5,250	5,174	5,257	5,406	5,594	5,480
Operating Profits	million yen	2,507	2,452	2,433	2,558	2,513	2,423
Net Income	million yen	1,856	1,875	1,876	1,965	1,955	1,877
Asset Total	million yen	156,780	156,703	156,576	168,019	167,940	164,852
Interest-bearing Debt Total	million yen	83,182	83,092	83,002	89,840	89,750	86,820
Net Asset	million yen	70,818	70,836	70,838	75,236	75,226	75,148
Return on Assets (ROA)	%	2.4	2.4	2.4	2.4	2.3	2.3
Return on Equity (ROE)	%	5.2	5.3	5.3	5.4	5.2	5.0
FP End Capital Adequacy Ratio	%	45.2	45.2	45.2	44.8	44.8	45.6
LTV	%	53.1	53.0	53.0	53.5	53.4	52.7
Interest Coverage Ratio	times	4.3	4.5	4.6	4.8	4.8	4.6
Weighted Average Interest Rate	%	1.28	1.27	1.24	1.17	1.16	1.18
Long-term Debt Average Remaining Duration	years	3.0	3.0	3.3	3.5	3.7	3.7
Rent NOI	million yen	4,016	4,010	3,953	4,118	4,156	4,126
NOI Yield (acquisition price base)	%	5.34	5.31	5.25	5.03	5.20	5.17
FFO	million yen	2,817	2,850	2,833	2,934	2,979	2,929
Portfolio	properties	152	153	152	155	153	150
Acquisition Price Total	million yen	149,862	150,587	150,966	161,917	160,247	159,310
Book Value Total	million yen	150,099	149,972	149,650	160,219	157,793	156,026
Appraisal Value Total	million yen	141,011	141,836	143,063	155,472	156,322	156,590
NAV per Unit	thousand yen	408	415	425	438	458	470

ROA=Current Profits/[(Total Asset Value at Start of FP+Total Asset Value at FP End)÷2]×100 *annual basis

ROE=Net Income/[(Net Asset at FP Start+Net Asset at FP End)÷2]×100 *annual basis

Capital Adequacy Ratio at FP End=Net Asset at FP End/Total Asset at FP End × 100

LTV=Total Interest-bearing Debt at FP End/Total Asset at FP End × 100

Interest Coverage Ratio=Net Income Before Interest Depreciation/(Interest Expenses+Investment Corporation Bond Interest)

Rent NOI=Real Estate Rental Business Revenues-Real Estate Rental Business Income+Current FP Depreciation and Amortization

NOI Yield (Acquisition Price Base)=Rent NOI/Total Acquisition Price × 100 *annual basis

FFO=Net Income+Current FP Depreciation and Amortization+Investment Corporation Bond Issuance Amortization-Real Estate Disposition Profit & Loss

NAV per Unit=(Net Asset Total-(Income Statement Total-Appraisal Value Total))/Total Number of Investment Units Issued



Interest-bearing Debts

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Maturity Diversification

FP of Repayment	Amount of Repayment	Lender	Amount	Interest Rate	Date of Loan	Date of Repayment	Category
17th Fiscal Period (ending May 31, 2015)	¥7,790 million	1 Lender	¥1,000 million	1.79200%	Feb. 26, 2010	Feb. 26, 2015	Long-term Loan ¥ 76,820 million
		1 Lender	¥1,300 million	2.23500%	May 15, 2007	Feb. 27, 2015	
		5 Lenders	¥5,400 million	0.96365%	Feb. 27, 2012	Feb. 27, 2015	
		1 Lender	¥40 million	2.10000%	Aug. 27, 2009	(Note2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(Note3)	
18th Fiscal Period (ending Nov. 30, 2015)	¥9,790 million	5 Lenders	¥9,700 million	1.00900%	Feb. 27, 2012	Aug. 27, 2015	
		1 Lender	¥40 million	2.10000%	Aug. 27, 2009	(Note2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(Note3)	
19th Fiscal Period (ending May 31, 2016)	¥4,790 million	1 Lender	¥4,700 million	1.00000%	Dec. 26, 2011	Dec. 26, 2015	
		1 Lender	¥40 million	2.10000%	Aug. 27, 2009	(Note2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(Note3)	
20th Fiscal Period (ending Nov. 30, 2016)	¥10,530 million	2 Lenders	¥9,400 million	1.11700%	Dec. 26, 2011	Jun. 26, 2016	
		1 Lender	¥1,080 million	2.10000%	Aug. 27, 2009	Aug. 27, 2016	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(Note3)	
21st Fiscal Period (ending May 31, 2017)	¥3,150 million	3 Lender	¥1,800 million	0.69000%	Oct. 25, 2013	Feb. 26, 2017	
		1 Lender	¥1,350 million	2.03000%	Feb. 26, 2010	Feb. 26, 2017	
22th Fiscal Period (ending Nov. 30, 2017)	¥4,670 million	1 Lender	¥750 million	0.56182%	Aug. 27, 2014	Aug. 26, 2017	
		3 Lender	¥3,920 million	1.08500%	Aug. 27, 2012	Aug. 27, 2017	
23th Fiscal Period (ending May 31, 2018)	¥5,420 million	6 Lender	¥5,420 million	1.12013%	Aug. 27, 2012	Feb. 27, 2018	
24th Fiscal Period (ending Nov. 30, 2018)	¥5,400 million	3 Lender	¥5,400 million	0.99000%	Sep. 30, 2013	Aug. 26, 2018	
26th Fiscal Period (ending Nov. 30, 2019)	¥1,600 million	4 Lender	¥1,600 million	1.16500%	Dec. 03, 2012	Nov. 26, 2019	
27th Fiscal Period (ending Nov. 31, 2019)	¥1,000 million	1 Lender	¥1,000 million	1.48625%	May 23, 2013	May 27, 2020	
28th Fiscal Period (ending Nov. 30, 2020)	¥6,000 million	1 Lender	¥800 million	1.28277%	Sep. 30, 2013	Aug. 26, 2020	
		6 Lender	¥4,700 million	1.18000%	Oct. 25, 2013	Aug. 26, 2020	
		1 Lender	¥500 million	1.15566%	Oct. 25, 2013	Aug. 26, 2020	
29th Fiscal Period (ending May 31, 2021)	¥6,500 million	1 Lender	¥2,000 million	1.17750%	Feb. 27, 2014	Feb. 26, 2021	
		1 Lender	¥1,000 million	1.68200%	May 23, 2013	May 27, 2021	
		1 Lender	¥3,500 million	1.62500%	May 23, 2013	May 27, 2021	
30th Fiscal Period (ending Nov. 30, 2021)	¥2,700 million	1 Lender	¥2,700 million	1.24100%	May 23, 2013	Aug. 26, 2021	
31th Fiscal Period (ending May 31, 2022)	¥4,500 million	5 Lender	¥4,500 million	1.31850%	Feb. 27, 2014	Feb. 26, 2022	
32th Fiscal Period (ending Nov. 30, 2022)	¥2,980 million	4 Lender	¥2,980 million	1.19700%	Sep. 05, 2014	Aug. 26, 2022	
	¥76,820 million	20 Lenders	-	-	-	-	
19th Fiscal Period (ending May 31, 2016)	¥5,000 million	Investment Corporation Bond	¥5,000 million	1.21000%	Feb. 25, 2011	Feb. 25, 2016	
21st Fiscal Period (ending May 31, 2017)	¥5,000 million	Investment Corporation Bond	¥5,000 million	1.03000%	Feb. 24, 2012	Feb. 24, 2017	
	¥86,820 million	-	-	-	-	-	

(Note 1) The interest rate stated regarding this loan takes into consideration the Interest Rate Swap transaction.

(Note 2) The amount of ¥ 40 million to be repayed on February 27, 2010, the first repayment date, and every August 27 and February 27 thereafter, until the last repayment of ¥ 1,080 million on August 27, 2016.

(Note 3) The amount of ¥ 50 million to be repayed on August 26, 2010, the first repayment date, and every February 26 and August 26 thereafter, until the last repayment of ¥ 1,350 million on February 26, 2017.

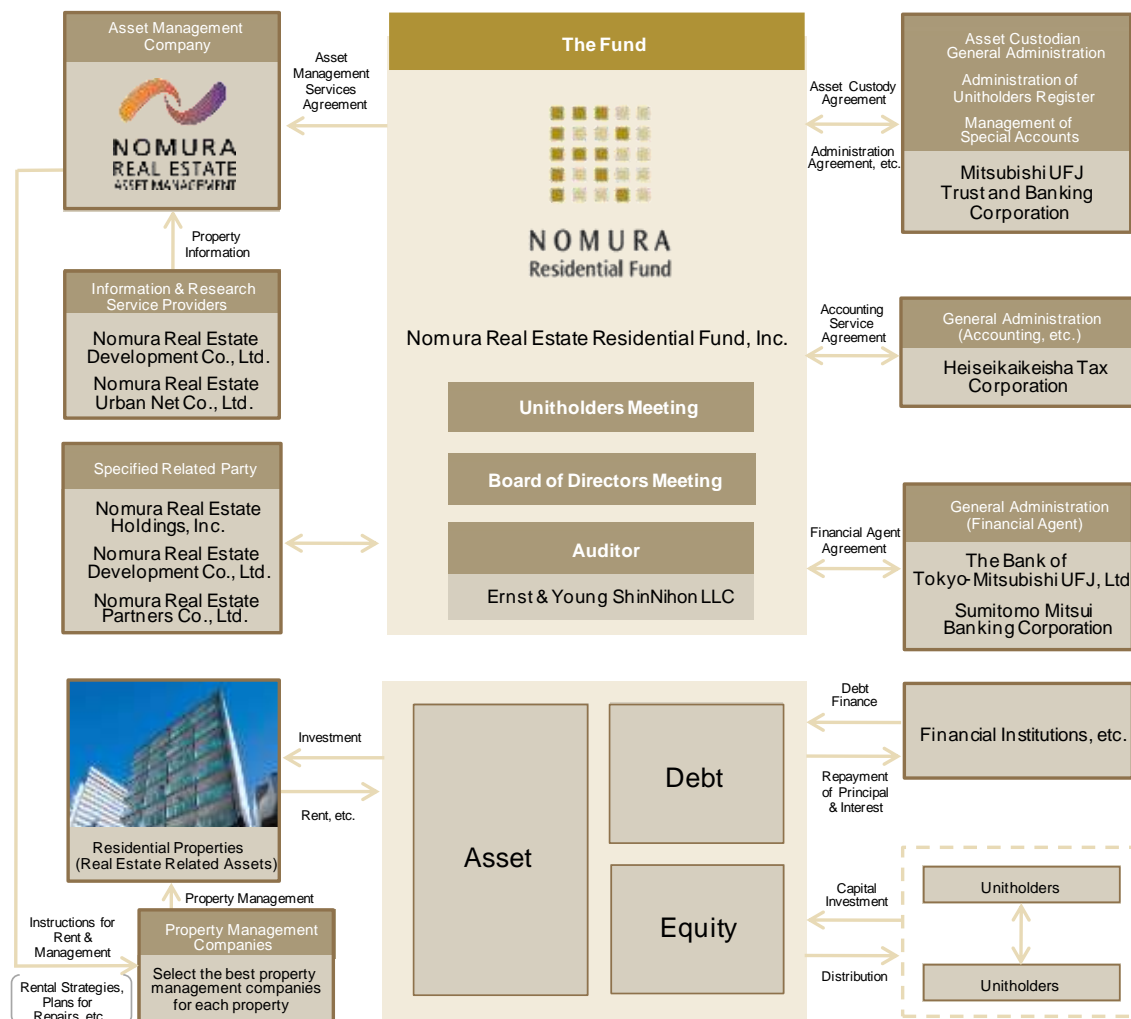
(Note 4) Regarding the Floating Rate, the interest rate as of the end of the 16th Fiscal Period is stated.

Lender Diversification (20 Lenders)

	Lender	Amount (millions of yen)
Major Banks (4)	The Bank of Tokyo-Mitsubishi UFJ	12,100
	Sumitomo Mitsui Banking	12,100
	Mizuho Corporate Bank	6,900
	Resona Bank	2,400
Trust Banks (4)	Mitsubishi UFJ Trust and Banking	12,100
	Sumitomo Mitsui Trust Bank	5,200
	The Nomura Trust and Banking	3,700
	Mizuho Trust & Banking	1,500
Regional Banks (4)	The Iyo Bank	1,000
	The Bank of Fukuoka	1,000
	The Chiba Bank	750
	The Tokyo Tomin Bank	500
Insurance Companies (5)	Taiyo Life Insurance	3,000
	Mitsui Sumitomo Insurance	1,100
	Daido Life Insurance	1,100
	Dai-ichi Life Insurance Co., Ltd.	800
	Nippon Life Insurance Company	500
Others (3)	Development Bank of Japan	7,550
	Shinkin Central Bank	2,520
	Aozora Bank	1,000
Total (20)		76,820
Bond	First Series Unsecured Investment Corporation Bonds	5,000
	Second Series Unsecured Investment Corporation Bonds	5,000
	Total	10,000



Structure



History

July 28, 2006

Notification of incorporation by the founder (Nomura Real Estate Asset Management Co., Ltd.) under Article 69 of the Investment Trust Law.

August 3, 2006

Registration of incorporation under Article 166 of the Investment Trust Law. Incorporation of the Nomura Real Estate Residential Fund, Inc.

August 4, 2006

Applied for registration under Article 188 of the Investment Trust Law.

August 24, 2006

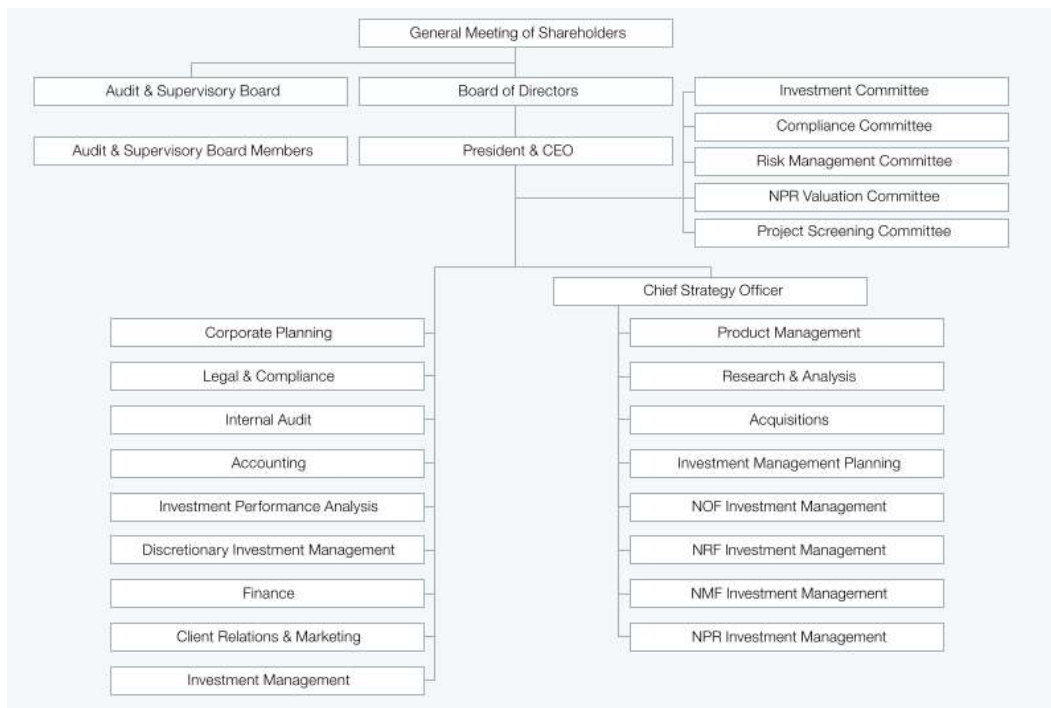
Registration approved by the Prime Minister of Japan under Article 187 of the Investment Trust Law (Registration number 56, filed with the Director of the Kanto Local Finance Bureau).

February 14, 2007

Listing on the Tokyo Stock Exchange.



Organization Chart (as of November 2014)



■ Overview

Company name	Nomura Real Estate Asset Management Co., Ltd.
Shareholder	Nomura Real Estate Holdings, Inc. (100%)
Location	8-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Contact Information	+81-3-3365-7729 nrf3240@nomura-re.co.jp
Registration, License, etc.	<ul style="list-style-type: none"> Financial instruments business operator registration: Commissioner of the Kanto Local Finance Bureau (Financial Instruments) No. 374 Licensed for discretionary proxy in realty trading: Minister of Land, Infrastructure and Transport Permit No.18 Licensed for real estate trading: Governor of Tokyo (3) No. 81679
Memberships	<ul style="list-style-type: none"> The Investment Trusts Association, Japan; The Japan Investment Advisers Association, The Association for Real Estate Securitization, etc.

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For management fees that the Fund pays to Nomura Real Estate Asset Management Co., Ltd., please refer to the terms and conditions of the Fund, asset management reports, etc.

The forward-looking statements with respect to the future financial results contained in this document are based on the current facts about the investment policy of the Fund, applicable laws and regulations, the market environment, business practice, etc., as of the preparation date of this document and do not reflect or consider any changes in the circumstances after the preparation date. These forward-looking statements inherently reflect uncertainty about known risks as well as unknown risks and other factors and may deviate from the actual operating and management results, financial conditions, etc., of the Fund.

Investment in real estate investment securities may result in a loss due to a decline in the transaction price caused by, for example, changes in the price or the revenue-generating capability of the underlying properties or deterioration of the financial conditions of the issuer.

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