



**NOMURA**  
Residential Fund

For Translation Purposes Only

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**For Immediate Release**

Nomura Real Estate Residential Fund, Inc.  
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(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 (3-years) Loan

- (1) Lenders : The Iyo Bank, Ltd. ,The Tokyo Tomin Bank, Ltd.
- (2) Amount : ¥1,500 million
- (3) Interest Rate : Basic Interest Rate (JBA 3-month Japanese Yen TIBOR) +0.38% p.a.
- (4) Date of Loan : February 27, 2015
- (5) Type of Loan : Term Loan  
(3-years floating interest rate, contracted on February 25, 2015)
- (6) Date of Repayment : February 26, 2018 (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, 2015 for the first payment, every 26th day of February, May, August and November thereafter until November 2017, 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 (6-years 9-months) Loan

- (1) Lenders : The Nomura Trust and Banking Co., Ltd., Mizuho Trust & Banking Co., Ltd., The Bank of Fukuoka, Ltd., Resona Bank, Ltd.
- (2) Amount : ¥4,900 million
- (3) Interest Rate : Basic Interest Rate (JBA 3-month Japanese Yen TIBOR) +0.62% p.a.
- (4) Date of Loan : February 27, 2015
- (5) Type of Loan : Term Loan  
(6-years 9-months floating interest rate, contracted on February 25, 2015)
- (6) Date of Repayment : November 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, 2015 for the first payment, every 26th day of February, May, August and November thereafter until August 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/>)

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

- (1) Lenders : Development Bank of Japan, Inc.
- (2) Amount : ¥1,300 million
- (3) Interest Rate : 1.13250% p.a.
- (4) Date of Loan : February 27, 2015
- (5) Type of Loan : Term Loan  
(8-years fixed interest rate, contracted on February 25, 2015)
- (6) Date of Repayment : February 26, 2023 (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, 2015 for the first payment, every 26th of February and August thereafter until August 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

## 3. Use of Funds

- Specifics : Loan proceeds will be used to repay current outstanding loans of ¥7,700 million in total, scheduled on February 26, 2015 and February 27, 2015, according to the credit loan agreement. (The loan of ¥1,000 million yen scheduled on February 26, 2015 will be repaid through cash on hand on the same day first, and then part of loans from the debt financing will be allocated.)

#### 4. Status of Interest Bearing Debts after Debt Financing and Repayment

(Millions of Yen)

	Before (Note 1)	After (Note 1)	Increase/Decrease
Short-term Loan	—	—	—
Long-term Loan Due Within One Year (Note 2)	17,490	9,790	-7,700
Short-term Loan Total	17,490	9,790	-7,700
Long-term Loan (Note2)	63,640	71,340	+7,700
Investment Corporation Bonds	10,000	10,000	—
Long-term Loan Total	73,640	81,340	+7,700
Interest Bearing Debt Total	91,130	91,130	—

(Note1) In order to illustrate the actual impact of the debt financing on the financial status of Nomura Residential Fund, the “Before” column indicates figures without assuming the repayment of the ¥1,000 million through cash on hand which is scheduled for February 26, 2015 as stated in the above 3., and the “After” column indicates figures assuming that both that repayment and the repayment of ¥6,700 million scheduled for February 27, 2015 were conducted. Both columns indicate figures assuming that agreed repayments (¥90 million in total) scheduled for February 26, 2015 and February 27, 2015 of the existing loans other than the existing loans stated in the above 3. (¥7,700 million in total) were conducted.

(Note2) Based on the end of the 16th Fiscal Period (ended November 30, 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.