



For Translation Purposes Only



NOMURA  
Residential Fund

December 21, 2011

### For Immediate Release

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

Asset Management Company:  
Nomura Real Estate Asset Management Co., Ltd.  
Yoji Kurihara, 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 repay current outstanding loans.

#### 2. Details of Debt Financing

##### Long-term Loan (4-year)

- |                           |  |
|---------------------------|--|
| (1) Lenders               | : The Bank of Tokyo-Mitsubishi UFJ, Ltd.   |
| (2) Amount                | : ¥4,700 million   |
| (3) Interest Rate         | : 1.00000% p.a.  |
| (4) Date of Loan          | : December 26, 2011  |
| (5) Type of Loan          | : Term Loan<br>(4-year Fixed Interest Rate, contracted on December 21, 2011)   |
| (6) Date of Repayment     | : December 26, 2015 (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 | : February 26, 2012 for the first payment, every 26th of February and August thereafter until August 26, 2015, 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 Loan (4-year 6-month)

- (1) Lenders : Sumitomo Mitsui Banking Corporation  
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- (2) Amount : ¥9,400 million
- (3) Interest Rate : Basic Interest Rate (JBA 3-month Japanese Yen TIBOR\*) +0.645% p.a.
- (4) Date of Loan : December 26, 2011
- (5) Type of Loan : Term Loan  
(4-year 6-month Floating Interest Rate, contracted on December 21, 2011)
- (6) Date of Repayment : June 26, 2016 (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 : February 26, 2012 for the first payment, every 26th of February, May, August, and November thereafter until May 26, 2016, 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 (<http://www.zenginkyo.or.jp/en/tibor/>) regarding the JBA Japanese Yen TIBOR.

### 3. Use of Funds

- Specifics : Loan proceeds will be used in order to repay current outstanding loans of ¥14,144 million (the difference repaid through fund in hand), scheduled on December 26, 2011, according to the term loan agreement.

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

(Millions of Yen)

	Before today's Debt Financing and Repayment	After today's Debt Financing and Repayment	Increase/ Decrease
Short-term Loan	9,600	9,600	—
Long-term Loan Due Within One Year (Note)	25,234	11,090	—14,144
Short-term Loan Total	34,834	20,690	—14,144
Long-term Loan	43,982	58,082	+14,100
Investment Corporation Bonds	5,000	5,000	—
Long-term Loan Total	43,982	63,082	+14,100
Interest Bearing Debt Total	83,816	83,772	—44

(Note) Based on the end of the 9th Fiscal Period (ended May 31, 2011).

### 5. Other

There are no significant changes in the “Investment Risks” stated in the Securities Registration Statement, filed on November 14, 2011, regarding the risks of the said loan repayment.