

For Immediate Release

To Whom It May Concern

Nomura Real Estate Master Fund, Inc.

Securities Code: 3462

Shuhei Yoshida, Executive Director

Asset Management Company:

Nomura Real Estate Asset Management Co., Ltd.

Norio Ambe, President & Chief Executive Officer

Inquiries:

Ken Okada

Director and Managing Executive Officer

TEL. +81-3-3365-8767 nmf3462@nomura-re.co.jp

Notice Concerning Debt Financing

Nomura Real Estate Master Fund, Inc. ("Nomura Master Fund" or the "Fund" or "NMF") announced today that the Fund will procure debt financing as stated below.

I. Debt Financing

1. Purpose

The Fund has decided to procure the loan in order to repay current outstanding loans which matures on June 30, 2017.

2. Details of Debt Financing

Loan Type : Term Loan (Scheduled contract date: June 28, 2017)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date (Note 1)	Terms of Repayment	Collateral
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Sumitomo Mitsui Trust Bank, Limited	6,375	Basic Interest Rate +0.11% (Note 2) (Note 3) (Note 4)	June 30, 2017	1 years and 6 months	December 26, 2018	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	2,600	Fixed (To be determined) (Note5) (Note6)		8 years and 2 months	August 26, 2025		
Sumitomo Mitsui Trust Bank, Limited	1,300	Fixed (To be determined) (Note5) (Note7)		8 years and 5 months	November 26, 2025		
Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	4,165	Fixed (To be determined) (Note5) (Note7)		9 years and 5 months	November 26, 2026		
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corporation	3,060	Fixed (To be determined) (Note5) (Note8)		9 years and 11 months	May 26, 2027		

- (Note 1) Repayment Date is the following business day if the date is a non-business day, or the prior business day if the following business date is in the next month.
- (Note 2) Basic Interest Rate, which applies to the calculation period of the interest rate to be paid on the Interest Payment Date, will be JBA 1month JPY TIBOR as of two business days before the previous Interest Payment Date of the respective interest payment dates (however, the Drawdown Date for the first interest rate calculation period) announced by the JBA TIBOR Administration.
- (Note 3) Basic Interest Rate indicated in (Note 2) will be reviewed on each Interest Payment Date. However, in the case the rate that applies to the calculation period of the interest rate does not exist, what is calculated based on the method stated in the contract will be the Basic Interest Rate that applies to the concerned period. Refer to the JBA TIBOR Administration website regarding the changes in the respective JBA Japanese Yen TIBOR, the base interest rate
- (Note 4) The interest payment dates are the 26th of every month beginning July 26, 2017, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest repayment date will be the following business day, or the prior business day if the following business day is in the next month.
- (Note 5) The interest rate will be determined on or before the anticipated borrowing date based on the contract dated June 28, 2017 concerning this borrowing. We will make an announcement about the interest when it is determined.
- (Note 6) The interest payment dates are the 26th of every February and August, beginning August 26, 2017, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest repayment date will be the following business day, or the prior business day if the following business day is in the next month.
- (Note 7) The interest payment dates are the 26th of every May and November, beginning November 26, 2017, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest repayment date will be the following business day, or the prior business day if the following business day is in the next month.
- (Note 8) The interest payment dates are the 26th of every February, May, August, and November, beginning August 26, 2017, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest repayment date will be the following business day, or the prior business day if the following business day is in the next month.

3. Use of Funds

(1) Specifics : To be used to repay current outstanding loans based on a term loan agreement^(Note) of 17,500 million that will mature on June 30, 2017.

(2) Scheduled Date of Use : June 30, 2017

(Note) For details of the term loan agreement, please refer to the press releases “ Notice Concerning Borrowing” the former Top REIT on June 25, 2012.

II. Status of Interest Bearing Debts after Financing

(millions of yen)

	Before Financing	After Financing	Increased/Decreased Amount
Short-term Borrowings	16,200	16,200	—
Current portion of Long-term borrowings ^(Note 1)	61,054	43,554	— 17,500
Long-term borrowings ^(Note 2)	405,208	422,708	+ 17,500
Total Borrowings	482,462	482,462	—
Current portion of Investment Corporation Bonds ^(Note 1)	4,000	4,000	—
Investment Corporation Bonds ^(Note 3)	18,500	18,500	—
Total Investment Corporation Bonds	22,500	22,500	—
Total Interest-Bearing Debts	504,962	504,962	—

(Note 1) Nature of term is as of the end of the 3rd fiscal period (February 28, 2017).

(Note 2) Excludes Long-term Borrowings due within one year.

(Note 3) Excludes Investment Corporation Bond due within one year.

III. Forecasts of Financial Results

There is only small impact to Nomura Master Fund's forecasts of financial results for the fiscal period ending August 31, 2017 (March 1, 2017 to August 31, 2017), there is no revision to the forecast of financial results.

IV. Other

No change has been made to the content of “Section 1 Fund Information / 1 Status of Fund / 3 Investment Risks” of the Securities Report (in Japanese) filed on May 29, 2017, regarding the risk involved in the debt financing.

*<Nomura Real Estate Master Fund, Inc> URL: <http://www.nre-mf.co.jp/en/>