



**For Immediate Release**  
To Whom It May Concern

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### **Notice Concerning Debt Financing**

Nomura Real Estate Master Fund, Inc. (“Nomura Master Fund” or “NMF” or the “Fund”) announced the decision made today that it will procure debt financing (“Debt Financing”) to refinance the existing debt totaling ¥7,025 million (“Existing Debt”) and to pay for the acquisition of the assets.

#### **I. Debt Financing**

##### **1. Debt financing to refinance the Existing Debt**

###### **(1) Purpose**

The Fund has decided to procure the loan in order to repay current outstanding loans which mature on March 27, 2018.

###### **(2) Details**

Loan Type : Term Loan (Scheduled contract date: March 23, 2018)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date <sup>(Note1)</sup>	Terms of Repayment	Collateral
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	4,670	Base interest rate +0.17% (Note2) (Note3) (Note4)	March 27, 2018	3 years	March 26, 2021	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Development Bank of Japan Inc.	2,355	Fixed (To be determined) (Note5)(Note6)		9 years and 11 months	February 26, 2028		
Total	7,025						

(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) Base interest rate, which applies to the calculation period of the interest rate to be paid on the interest payment date, will be Japanese Bankers Association (“JBA”) 1-month JPY TIBOR (“Tokyo Interbank Offered Rate”) 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 (“JBATA”).

(Note 3) Base interest rate indicated in (Note 2) is 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 base interest rate that applies to the concerned period. For JBA Japanese yen TIBOR, please refer to JBATA website.

( <http://www.jbatibor.or.jp/english/rate/> )



- (Note 4) The interest payment dates are the 26th of every month, beginning April 26, 2018, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment 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 March 23, 2018 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, 2018, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment 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 Amount : ¥7,025 million
- ② Specifics : To be used for repayment of the existing borrowings based on the term loan<sup>(Note)</sup> agreement totaling ¥7,025 million which will mature on March 27, 2018.
- ③ Scheduled Date of Use : March 27, 2018

(Note) For details of the term loan agreement, please refer to the press release “Notice Concerning Borrowing” announced by Top REIT, Inc. on March 22, 2013 (<https://nre-mf.co.jp/file/top/tmp-g9bTp.pdf>).

## 2. Debt financing to pay for the acquisition of the assets

### (1) Purpose

The Fund has decided to procure the debt financing in order to partly pay for the acquisition of assets.

### (2) Details

- ① Loan Type : Term Loan (Scheduled contract date: March 29, 2018)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date <sup>(Note1)</sup>	Terms of Repayment	Collateral
Nippon Life Insurance Company	500	Fixed (To be determined) (Note2) (Note3)	April 2, 2018	5 years and 5 months	August 26, 2023	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
The Chiba Bank, Ltd. Mitsui Sumitomo Insurance Company, Limited.	1,000	Fixed (To be determined) (Note2) (Note3)		6 years and 11 months	February 26, 2025		
Shinkin Central Bank THE BANK OF FUKUOKA, LTD. The 77 Bank, Ltd. THE YAMAGUCHI BANK, Ltd. SUMITOMO LIFE INSURANCE COMPANY	2,500	Fixed (To be determined) (Note2) (Note3)		7 years and 11 months	February 26, 2026		
Mizuho Trust & Banking Co., Ltd. The Norinchukin Bank Resona Bank, Limited	1,500	Fixed (To be determined) (Note2) (Note4)		8 years and 8 months	November 26, 2026		
Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan Inc.	1,500	Fixed (To be determined) (Note2) (Note3)		9 years	March 26, 2027		
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corporation	1,500	Fixed (To be determined) (Note2) (Note5)		9 years and 11 months	February 26, 2028		
Total	8,500						

(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) The interest rate will be determined on or before the anticipated borrowing date based on the contract dated March 29, 2018 concerning this borrowing. We will make an announcement about the interest when it is determined.



- (Note 3) The interest payment dates are the 26th of every February and August, beginning August 26, 2018, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment date will be the following business day, or the prior business day if the following business day is in the next month.
- (Note 4) The interest payment dates are the 26th of every May and November, beginning May 26, 2018, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment 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 payment dates are the 26th of every February, May, August and November, beginning May 26, 2018, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment date will be the following business day, or the prior business day if the following business day is in the next month.

② Loan Type : Commitment Line Agreement (Contract date: June 8, 2017)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date <sup>(Note1)</sup>	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	2,500	Base interest rate +0.40% (Note2) (Note3)(Note4)	April 2, 2018	1 year	April 2, 2019	Lump-sum repayment on the repayment date	Unsecured, unguaranteed

(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) Base interest rate, which applies to the calculation period of the interest rate to be paid on the interest payment date, will be Japanese Bankers Association (“JBA”) 1-month JPY TIBOR (“Tokyo Interbank Offered Rate”) 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 (“JBATA”).

(Note 3) Base interest rate indicated in (Note 2) is 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 base interest rate that applies to the concerned period. For JBA Japanese yen TIBOR, please refer to JBATA website.

(<http://www.jbatibor.or.jp/english/rate/>)

(Note 4) The interest payment dates are the 26th of every month, beginning April 26, 2017, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment 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 Amount : ¥11,000 million

② Specifics : To be used for partial payment for the acquisition of assets including PMO Nihonbashi Mitsukoshi-mae, PMO Shibadaimon, PROUD FLAT Sangenjaya II, PROUD FLAT Soto Kanda, PROUD FLAT Yoyogi Hachiman and PROUD FLAT Nakaochiai<sup>(Note)</sup> scheduled to be acquired on April 2, 2018.

③ Scheduled Date of Use : April 2, 2018

(Note) For a profile of the properties, refer to the “Notice Concerning Property Acquisition”, released on February 1, 2018.



## II. Status of Interest Bearing Debts after Financing and Repayment of the Existing Debt

(millions of yen)

		Before Financing and Repayment of the Existing Debt	After Financing and Repayment of the Existing Debt	Increased/Decreased Amount
	Short-term Borrowings	—	2,500	+2,500
	Current portion of Long-term borrowings <sup>(Note 1)</sup>	29,897	22,872	−7,025
	Long-term borrowings <sup>(Note 2)</sup>	435,800	451,325	+15,525
	Total Borrowings	465,698	476,698	+11,000
	Current portion of Investment Corporation Bonds <sup>(Note 1)</sup>	—	—	—
	Investment Corporation Bonds <sup>(Note 3)</sup>	20,500	20,500	—
	Total Investment Corporation Bonds	20,500	20,500	—
	Total Interest-Bearing Debts	486,198	497,198	+11,000

(Note 1) Nature of term is as of the end of the 4th fiscal period (August 31, 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, 2018 (March 1, 2018 to August 31, 2018) and February 28, 2019 (September 1, 2018 to February 28, 2019), 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 November 29, 2017 and “Section 2 Reference Information / 2 Supplement Information / 7 Investment Risks” of the Securities Registration Statement (in Japanese) filed on February 1, 2018, regarding the risk involved in the debt financing.

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

