Nippon Accommodations Fund

December 6, 2012

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities
 1-1, Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo 103-0022
Nippon Accommodations Fund Inc.
Executive Director   Yuji Yokoyama
(Code number 3226)
Investment Trust Management Company
 Mitsui Fudosan Accommodations Fund Management Co., Ltd.
President and CEO   Kosei Murakami
Contact   CFO and Director   Satoshi Nohara
(TEL 03-3246-3677)

Notification of Borrowing Funds

This is a notification that Nippon Accommodations Fund Inc. ("NAF") decided to borrow funds as shown below.

1.Details of Loans

Lender	Loan amount	Interest rate	Loan type & Repayment method	Date of Loan	Date of Maturity
Mitsubishi UFJ Trust and Banking Corporation	1billion yen	0.35500％	Unsecured & unguaranteed, Bullet repayment	December 3, 2012	January 4, 2013

2. Use of Funds
   To apply the funds toward the repayment of short-term loan of ¥1,000 million concluded on November 1, 2012.

3. Others
   Regarding the loan repayment risk, there is no important change to the "Investment risks"description in the latest securities report submitted on November 28, 2012.

This English language notice is a translation of the Japanese language notice
dated November 29, 2012 and was prepared solely for the convenience of, and
reference by, overseas investors. NAF makes no warranties as to its accuracy or
completeness.

<Attached documents>
• Status of interest-bearing debt after this event

Reference data

<Status of interest-bearing debt after this event>

(Unit: billion yen)

	Before this event	After this event	Change
Short-term debt	10.5	10.5	－
Long-term debt	99.0	99.0	－
Investment corporation bonds	17.0	17.0	－
Total interest-bearing debt	126.5	126.5	－

	Before this event	After this event	Change
Interest-bearing debt ratio	55.1%	55.1%	－
Long term interest-bearing debt ratio	91.7%	91.7%	－

(*1) The following formula was used to calculate the interest-bearing debt ratio.

(interest bearing debt ratio) = (interest bearing debt) ÷ (interest bearing debt + unitholder's capital) X 100

The unitholder's capital as of today (103,235,321 thousand yen) was used.

(*2) (long term interest bearing debt ratio) = (long term debt+investment corporation bonds) ÷ (interest bearing debt) X 100

(*3) All calculations of ratios were rounded to one decimal place.