

July 4, 2013

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

Nobumi Tobari  
(Code Number 3226)

Investment Trust Management Company  
Mitsui Fudosan Accommodations Fund Management Co., Ltd.  
President and CEO  
Contact CFO and Director  
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Kosei Murakami  
Satoshi Nohara

### 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
The Bank of Fukuoka, Ltd.	1 billion yen	0.82687%	Unsecured & unguaranteed, Bullet repayment	July 8, 2013	January 8, 2020

#### 2. Use of Funds

To apply the funds toward the repayment of long-term loan of ¥1 billion concluded on January 8, 2010.

#### 3. Status of interest-bearing debt after this event

(Unit: billion yen)

	Before this event	After this event	Change
Short-term debt	3.5	3.5	—
Long-term debt	113.5	113.5	—
Investment corporation bonds	17.0	17.0	—
Total interest-bearing debt	134.0	134.0	—

Interest-bearing debt ratio	51.6%	51.6%	—
Long term interest-bearing debt ratio	97.4%	97.4%	—

(\*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 (125,686,793 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.

#### 4. Others

Regarding the loan repayment risk, there is no important change to the "Investment risks" description in the latest securities report submitted on May 29, 2013.

- NAF website: <http://www.naf-r.jp/english/index.html>

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