

August 21, 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

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<br>&<br>Repayment method               | Date of Loan    | Date of Maturity  |
|--|---------------|---------------|--|-----------------|-------------------|
| Mitsubishi UFJ Trust and Banking Corporation | 1 billion yen | 0.96250%      | Unsecured &<br>unguaranteed,<br>Bullet repayment | August 23, 2013 | August 23, 2021   |
| Mizuho Trust & Banking Co., Ltd.             | 1 billion yen | 1.02438%      | Unsecured &<br>unguaranteed,<br>Bullet repayment | August 23, 2013 | February 23, 2022 |
| Mizuho Trust & Banking Co., Ltd.             | 1 billion yen | 1.08625%      | Unsecured &<br>unguaranteed,<br>Bullet repayment | August 23, 2013 | August 23, 2022   |

#### 2. Use of Funds

To apply the funds toward the repayment of short-term loans totaling ¥3 billion concluded on July 17, 2013 and July 31, 2013.

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

(Unit: billion yen)

|                              | Before this event | After this event | Change |
|------------------------------|-------------------|------------------|--------|
| Short-term debt              | 6.5               | 3.5              | (3.0)  |
| Long-term debt               | 115.5             | 118.5            | 3.0    |
| Investment corporation bonds | 17.0              | 17.0             | —      |
| Total interest-bearing debt  | 139.0             | 139.0            | —      |

|                                       |       |       |     |
|---------------------------------------|-------|-------|-----|
| Interest-bearing debt ratio           | 52.5% | 52.5% | —   |
| Long term interest-bearing debt ratio | 95.3% | 97.5% | 2.2 |

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

$$(\text{interest bearing debt ratio}) = (\text{interest bearing debt}) \div (\text{interest bearing debt} + \text{unitholder's capital}) \times 100$$

The unitholder's capital as of today (125,686,793 thousand yen) was used.

(\*2)  $(\text{long term interest bearing debt ratio}) = (\text{long term debt} + \text{investment corporation bonds}) \div (\text{interest bearing debt}) \times 100$ 

(\*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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