

February 18, 2015

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities
4-1, Nihonbashi 1-chome, Chuo-ku, Tokyo 103-0027
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
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Notification Concerning the Decision on Prices etc. with Regard to Issuance of New Investment Units and Secondary Offering of Investment Units

Nippon Accommodations Fund Inc. ("NAF") hereby provides notice of the decision by resolution at the Board of Directors' Meeting held on February 18, 2015 concerning the issue price and the offer price, etc. with regards to the issuance of new investment units and secondary offering of investment units, which was adopted at the Board of Directors' Meeting held on February 6, 2015.

1. Issuance of new investment units by public offering

(1) Issue price	Per unit	¥443,868
(2) Total issue price		¥9,765,096,000
(3) Amount to be paid in (issue value)	Per unit	¥429,300
(4) Total amount to be paid in (issue value)		¥9,444,600,000
(5) Subscription period	February 19, 2015 (Thu) – February 20, 2015 (Fri)	
(6) Payment date	March 2, 2015 (Mon)	

(Note) The underwriters purchase and underwrite at the paid-in amount (issue value) and conduct the public offering at the stated issue price.

2. Secondary offering of investment units by overallotment

(1) Number of units to be offered		1,100 units
(2) Offer price	Per unit	¥443,868
(3) Total offer price		¥488,254,800
(4) Subscription period	February 19, 2015 (Thu) – February 20, 2015 (Fri)	
(5) Delivery date	March 3, 2015 (Tue)	

3. Issuance of new investment units by third-party allocation

(1) Amount to be paid in (issue value)	Per unit	¥429,300
(2) Total amount to be paid in (issue value) (maximum)		¥472,230,000
(3) Subscription period (subscription date)	March 23, 2015 (Mon)	
(4) Payment date	March 24, 2015 (Tue)	

<Caution> This document is a press release intended for general publication regarding NAF's issuance of new investment units and secondary offering of investment units and is not for purposes of soliciting investment. When investing, we ask that investors exercise their own judgment taking full responsibility after having read carefully the new investment unit issuance and secondary offering prospectus, or any corrections thereof (if made), prepared by NAF.

<Reference>

1. Calculation of issue price and offer price

(1)	Calculation date and price	<u>February 18, 2015 (Wed)</u>	<u>¥463,000</u>
(2)	Discount rate (Note)	<u>2.50%</u>	

(Note) The discount rate is based on the amount obtained by deducting ¥7,750, the projected distribution amount for the 18th Period (September 1, 2014 to February 28, 2015), from the investment unit price (closing price) of the calculation date.

2. Syndicate cover transaction period

February 21, 2015 (Sat) – March 17, 2015 (Tue)

3. Use of the procured funds

The approximate net balance for this public offering and third-party allocation (maximum ¥9,916,830,000) shall be allocated for part of the acquisition of specified properties to be purchased by NAF in and after March 2015 (as mentioned in “Notification Concerning Acquisition of Domestic Real Estate Properties” released on February 6, 2015). Any remaining balance shall be kept as funds on hand and used for future acquisitions of specified properties or repayments of borrowings.

- Japanese original document was distributed to press clubs within the Tokyo Stock Exchange (Kabuto Club) and the press club of the Ministry of Land, Infrastructure, Transport and Tourism and to the press club construction publications of the Ministry of Land, Infrastructure, Transport and Tourism.
- NAF's website: <http://www.naf-r.jp/english/>

Please note that this English translation of the Japanese original document is provided solely for information purposes. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

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