

April 16, 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 Tateyuki Ikura  
Contact CFO and Director Satoshi Nohara  
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## Notification of Amendments of Articles of Incorporation and Election of Directors

This is a notification that at the Board of Directors' meeting on April 16, 2015, Nippon Accommodations Fund, Inc. ("NAF") resolved that the following amendments of the Articles of Incorporation and election of directors will be put up for discussion at the Seventh General Meeting of Unitholders planned for May 19, 2015.

This proposal will become effective upon approval at the above General Meeting of Unitholders.

### 1. Summary of, and Reasons for, the Amendments of the Articles of Incorporation

- (1) The revision of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations requires that the purpose to manage assets through investment primarily in real estate and other assets be indicated in the Articles of Incorporation if such purpose exists. Thus, amend the Articles of Incorporation to add such a purpose and newly establish a provision (propose amendment of Article 2 and Article 26 Paragraph 2). In accordance with this, also amend Article 27 Paragraph 1 and Article 28 Paragraph 1 of the current Articles of Incorporation which stipulate targets to invest primarily in (propose amendment of Article 27 Paragraph 1 and Article 28 Paragraph 1).
- (2) The revision of the Act on Investment Trusts and Investment Corporations (the "Investment Trust Act") enabled acquisition of own investment units with compensation based on agreement with its unitholders in the case NAF stipulates such in its Articles of Incorporation. Thus, amend the Articles of Incorporation to newly establish such a provision (propose amendment of Article 5 Paragraph 2).
- (3) Amend the Articles of Incorporation to newly establish a provision that NAF's General Meeting of Unitholders shall be convened on April 25, 2017 and onwards without delay and subsequent convocations shall be made on April 25 and onwards every two years without delay, to clarify the period when the General Meeting of Unitholders, which was held biannually in principle, will be held (propose amendment of first sentence in Article 9 Paragraph 3). In addition, the revision of the Investment Trust Act stipulated that a public notice will not be required for a General Meeting of Unitholders to be held before 25 months have passed since the date of the immediately preceding General Meeting of Unitholders which was held pursuant to the stipulations in the first sentence of Article 9 Paragraph 3 of the proposed amendment. Thus, amend the Articles of Incorporation to revise such provisions (propose amendment of proviso in Article 9 Paragraph 4).
- (4) Amend the Articles of Incorporation to newly establish a provision to clarify that aside from the General Meeting of Unitholders pursuant to the stipulations in the first sentence of Article 9 Paragraph 3 of the proposed amendment, a General Meeting of Unitholders can be convened any time as needed (propose amendment of second sentence in Article 9 Paragraph 3).

- (5) Amend the Articles of Incorporation to newly establish a provision on the record date, when unitholders who can exercise their voting rights at a General Meeting of Unitholders held pursuant to the first sentence of Article 9 Paragraph 3 shall be decided, to clarify the concerned unitholders (propose amendment of first sentence in Article 15 Paragraph 1). Thus, Article 15 Paragraph 1 in the current Articles of Corporation shall be amended to clarify it is a provision to stipulate unitholders who can exercise their voting rights at a General Meeting of Unitholders held pursuant to the stipulations in the second sentence in Article 9 Paragraph 3 of the proposed amendment (propose amendment of second sentence in Article 15 Paragraph 1).
- (6) Amend the Articles of Incorporation to revise a provision to enable extension or reduction of the term of office of executive directors and supervisory directors through a resolution adopted by the General Meeting of Unitholders within the extent stipulated in the provisions of laws and regulations (propose amendment of Article 17 Paragraph 2).
- (7) Amend the Articles of Incorporation to clarify that renewable energy generation facilities are a target of investment by NAF as the revision of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations added renewable energy generation facilities to assets that fall under specified assets (propose amendment of Article 28 Paragraph 2 Item 3).
- (8) Amend the Articles of Incorporation to revise a provision to enable NAF to implement cash distributions in excess of income for the purpose of mitigating tax burdens based on the revision of tax laws to eliminate tax burdens due to the difference in treatments between accounting and tax practices (inconsistency between profits for accounting purposes and tax purposes) (propose amendment of Article 34 Paragraph 2).
- (9) Other than the above, amend the Articles of Incorporation to make necessary amendments to text and to unify expressions (propose amendment of Article 9 Paragraph 4, Article 25 and Article 28 Paragraph 2 Item 1 (x)).

## 2. Election of Directors

The elected terms of the one Executive Director (Nobumi Tobari) and the three Supervisory Directors (Takeo Tomita, Michihiko Takabe and Hiroyuki Sodeyama) will all end on May 20, 2015. Accordingly, NAF proposes that two Executive Directors and three Supervisory Directors be elected at the General Meeting of Unitholders planned for May 19, 2015.

### (1) Executive Director Candidates

Nobumi Tobari	(in-service)
Tateyuki Ikura	(newly elected)

### (2) Supervisory Director Candidates

Hiroyuki Sodeyama	(in-service)
Tsunehisa Ota	(newly elected)
Hiroaki Saito	(newly elected)

## 3. Scheduled Dates of Meetings, etc.

April 16, 2015	Resolution of Board of Directors' Meeting for holding the Seventh General Meeting of Unitholders
April 24, 2015	Posting of the "Notice of the Seventh General Meeting of Unitholders" (scheduled)
May 19, 2015	Seventh General Meeting of Unitholders (scheduled)

- 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 for construction publications of the Ministry of Land, Infrastructure, Transport and Tourism.
- NAF website: <http://www.naf-r.jp/english/>

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