

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities:  
Nippon Accommodations Fund Inc.  
Takashi Ikeda, Executive Director  
(TSE Code: 3226)  
Investment Trust Management Company:  
Mitsui Fudosan Accommodations Fund  
Management Co., Ltd.  
Tateyuki Ikura, President and CEO  
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### 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
Sumitomo Mitsui Trust Bank, Limited	2.0 billion yen	0.12409%	Unsecured & unguaranteed, Bullet repayment	November 30, 2020	February 26, 2021
The 77 Bank, Ltd.	1.0 billion yen	0.12409%(*1)	Unsecured & unguaranteed, Bullet repayment	November 30, 2020	November 30, 2021
The Norinchukin Bank	3.0 billion yen	0.36000%	Unsecured & unguaranteed, Bullet repayment	November 30, 2020	November 30, 2028

(\*1) The interest rate will be applied from November 30, 2020 to February 25, 2021. The interest rate applicable on and after February 26, 2021 shall be calculated based on the three-month JBA Japanese Yen TIBOR released two business days prior to the last day of every three months (if such date is not a business day, the business day immediately preceding the concerned date) + 0.045000%.

#### 2. Use of Funds

To apply the funds toward the repayment of short-term loans ¥3.0 billion concluded on November 29, 2019, August 31, 2020 and long-term loan ¥3.0 billion concluded on November 29, 2013.

#### 3. Status of Interest-bearing Debt After this Event

(Unit: billion yen)

	Before this Event	After this Event	Change
Short-term debt	5.0	5.0	—
Long-term debt	150.5	150.5	—
Total debt	155.5	155.5	—
Investment corporation bonds	4.0	4.0	—
Total interest-bearing debt	159.5	159.5	—
Interest-bearing debt ratio	54.0%	54.0%	—
Long term interest-bearing debt ratio	96.9%	96.9%	—

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

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

The unitholders' capital as of today (135,603,623 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, 2020.

NAF website: <https://www.naf-r.jp/english/>

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