

July 21, 2016

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities
1-4, 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
(TEL. 03-3246-3677)

Notification Concerning Establishment of Commitment Line

This is a notification that Nippon Accommodations Fund Inc. ("NAF") decided on the establishment of a commitment line as shown below.

1. Reason for Establishment

The purpose of the establishment of the commitment lines is to secure flexible and stable fund procurement methods for the acquisition of specified assets, repayment of existing borrowings, and redemption of investment corporation bonds, etc.

2. Overview of Establishment

(1) Sumitomo Mitsui Banking Corporation

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|----------------------------------|----------------------------|
| (i) Maximum amount of borrowing: | 5 billion yen |
| (ii) Agreement execution date: | July 21, 2016 |
| (iii) Agreement effective date: | August 1, 2016 |
| (iv) Agreement termination date: | July 31, 2019 |
| (v) Collateral and guarantee: | Unsecured and unguaranteed |

(2) Sumitomo Mitsui Trust Bank, Limited

- | | |
|----------------------------------|----------------------------|
| (i) Maximum amount of borrowing: | 5 billion yen |
| (ii) Agreement execution date: | July 21, 2016 |
| (iii) Agreement effective date: | August 1, 2016 |
| (iv) Agreement termination date: | July 31, 2019 |
| (v) Collateral and guarantee: | Unsecured and unguaranteed |

3. Others

Regarding the loan repayment risk, there is no important change to the "Investment risks" description in the latest securities report submitted on May 27, 2016.

In line with the establishment of the commitment lines, existing commitment line agreements (total maximum amount: 10 billion yen) concluded with Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd. will be cancelled as of July 31, 2016.

- Japanese original document was distributed to the press clubs within 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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