

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.

Hiroshi Kojima, President and CEO

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Notification of Borrowing Funds (Refinancing with Green Loan and others)

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	Date of Loan	Date of Maturity	Loan Type & Repayment Method
Sumitomo Mitsui Trust Bank, Limited	2.0 billion yen	0.32227%	May 31, 2024	August 30, 2024	Unsecured & unguaranteed, Bullet repayment
NIPPON LIFE INSURANCE COMPANY (Green Loan)	1.0 billion yen	0.968%		October 31, 2029	
SBI Shinsei Bank, Limited (Green Loan)	2.0 billion yen	0.50273%*		May 31, 2034	
The Yamaguchi Bank, Ltd. (Green Loan)	1.0 billion yen	1.613%		May 31, 2035	

(NOTE) For details of NAF’s Green Loan, please refer to “2. Use of Funds”.

For details of NAF’s Green Finance (including Green Loan), please refer to “Green Finance” section on NAF’s website (<https://www.naf-r.jp/english/esg/finance/sustainability-finance.html>.)

* The interest rate will be applied from May 31, 2024 to June 27, 2024. The interest rate applicable on and after June 28, 2024 shall be calculated based on the three-months JBA Japanese Yen TIBOR released two business days prior to the last day of each calendar month. (if such date is not a bank business day, the bank business day immediately preceding the concerned date) + 0.32%.

Please refer to the JBA TIBOR Administration’s website (<http://www.jbatibor.or.jp/english/>) for the three-months JBA Japanese Yen TIBOR.

2. Use of Funds

Funds are to be allocated to the repayment of borrowings as detailed below.

Lender	Loan Amount	Date of Loan	Date of Maturity
Sumitomo Mitsui Trust Bank, Limited	2.0 billion yen	February 29, 2024	May 31, 2024
NIPPON LIFE INSURANCE COMPANY	3.0 billion yen	May 30, 2014	
The Yamaguchi Bank, Ltd.	1.0 billion yen		

NAF plans to use all the procured funds as funds for the repayment for the loans that were required for acquisition of Park Axis Toyosu, an eligible green asset under the green finance framework. Specifically, it plans to apply such funds for repayment of 3 billion yen of long-term debt with NIPPON LIFE INSURANCE COMPANY due for repayment on May 31, 2024, and 1 billion yen of long-term debt with The Yamaguchi Bank, Ltd. due for repayment on the same day.

3. Status of Interest-bearing Debt After this Event

(Unit: billion yen)

	Before this Event	After this Event	Change
Short-term debt	2.0	2.0	—
Long-term debt	157.5	157.5	—
Total debt	159.5	159.5	—
Investment corporation bonds	8.0	8.0	—
Total interest-bearing debt	167.5	167.5	—
Interest-bearing debt ratio	53.5%	53.5%	—
Long-term interest-bearing debt ratio	98.8%	98.8%	—

(*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 (145,449,910 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 November 30, 2023.

NAF website: <https://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.