

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
The Iyo Bank, Ltd.	1.0 billion yen	0.26727 %*	Unsecured & unguaranteed, Bullet repayment	March 31, 2022	March 31, 2032

* The interest rate will be applied from March 31, 2022 to June 29, 2022. The interest rate applicable on and after June 30, 2022 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) + 0.20%. 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

To apply the funds toward the repayment of long-term loan ¥1.0 billion concluded on September 30, 2016.

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.

(interest bearing debt ratio) = (interest bearing debt) ÷ (interest bearing debt + unitholders’ capital) X 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, 2021.

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

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