

February 27, 2024

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

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	0.14591%	February 29, 2024	May 31, 2024	Unsecured & unguaranteed, Bullet repayment
Sumitomo Mitsui Banking Corporation	4.5 billion yen	0.675%		February 29, 2028	

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	November 30, 2023	February 29, 2024
Sumitomo Mitsui Banking Corporation	4.5 billion yen	February 28, 2020	

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)
$$(\text{long-term interest bearing debt ratio}) = (\text{long term debt} + \text{investment corporation bonds}) \div (\text{interest bearing debt}) \times 100$$

(*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/>

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