

April 18, 2017

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities
4-1, 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
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Notification of Amendments to Articles of Incorporation and Election of Directors

This is a notification that at the Board of Directors' meeting on April 18, 2017, Nippon Accommodations Fund, Inc. ("NAF") resolved that the following amendments to the Articles of Incorporation and election of directors will be put up for discussion at the Eighth General Meeting of Unitholders planned for May 19, 2017.

The following items shall become effective upon their resolution and approval at the said General Meeting of Unitholders.

1. Summary of, and Reasons for, the Amendments to the Articles of Incorporation

- (1) Amend the Articles of Incorporation to revise a provision to enable investments in Real Estate-Related Assets that is primarily used or may be primarily used as hotels, in addition to Real Estate-Related Assets that is primarily used as residences, the main investment target of NAF (propose amendment of Article 27 Paragraph 2).
- (2) Amend the Articles of Incorporation to delete a provision that became unnecessary as the requirements for receiving application of the special tax treatment for investment corporations has changed due to the amendment of the Ordinance for Enforcement of the Act on Special Measures Concerning Taxation (current Articles of Incorporation Article 27 Paragraph 6).
- (3) Amend the Articles of Incorporation to revise a provision to align expressions with the contents of The Investment Trusts Association, Japan's rules on definition of distribution amount (propose amendment of Article 34 Paragraph 1 Item 1).
- (4) Amend the Articles of Incorporation to newly establish a provision concerning the merger fee in case NAF conducts merger (propose amendment of Article 36 Item 5).

2. Election of Directors

The elected terms of the two Executive Directors (Nobumi Tobari and Tateyuki Ikura) and the three Supervisory Directors (Hiroyuki Sodeyama, Tsunehisa Ota and Hiroaki Saito) will all end on May 20, 2017. Accordingly, NAF proposes that two Executive Directors and three Supervisory Directors be elected at the General Meeting of Unitholders planned for May 19, 2017.

(1) Executive Director Candidates

Takashi Ikeda (newly elected)

Tateyuki Ikura (in-service)

(2) Supervisory Director Candidates

Tsunehisa Ota (in-service)

Hiroaki Saito (in-service)

Mitsutoshi Masuda (newly elected)

3. Scheduled Dates of Meetings, etc.

April 18, 2017 Board of Directors' meeting to approve agenda to be presented to the Eighth General Meeting of Unitholders

April 25, 2017 Posting of the "Notice of the Eighth General Meeting of Unitholders" (scheduled)

May 19, 2017 Eighth General Meeting of Unitholders (scheduled)

- * The Japanese original document was distributed to press clubs within the 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's website: <http://www.naf-r.jp/english/>

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