

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
Mizuho Bank, Ltd.	1.0 billion yen	0.10227%	Unsecured & unguaranteed, Bullet repayment	October 31, 2019	November 29, 2019
The 77 Bank, Ltd.	1.0 billion yen	0.10727%	Unsecured & unguaranteed, Bullet repayment	October 31, 2019	November 29, 2019
Sumitomo Mitsui Trust Bank, Limited	1.0 billion yen	0.10227%	Unsecured & unguaranteed, Bullet repayment	October 31, 2019	November 29, 2019
Mitsui Sumitomo Insurance Company, Limited	1.0 billion yen	0.29000%	Unsecured & unguaranteed, Bullet repayment	October 31, 2019	October 30, 2026
The Norinchukin Bank	2.0 billion yen	0.37000%	Unsecured & unguaranteed, Bullet repayment	October 31, 2019	April 28, 2028

#### 2. Use of Funds

To apply the funds toward the repayment of short-term loans totaling ¥6.0 billion concluded on September 30, 2019.

#### 3. Status of Interest-bearing Debt After this Event

(Unit: billion yen)

	Before this Event	After this Event	Change
Short-term debt	6.0	3.0	(3.0)
Long-term debt	148.5	151.5	3.0
Total interest-bearing debt	154.5	154.5	—

Interest-bearing debt ratio	53.3%	53.3%	—
Long term interest-bearing debt ratio	96.1%	98.1%	1.9

(\*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 (135,603,623 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 May 31, 2019.

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

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