

September 20, 2007

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities
1-1, Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo 103-0022
Nippon Accommodations Fund Inc.
Representative Executive Director Nobuyuki Nakai
(Code number 3226)

Investment Trust Management Company
Mitsui Fudosan Accommodations Fund Management Co., Ltd.
Representative President and CEO Nobuyuki Nakai
Contact CFO and Director Morio Shibata
(TEL 03-3246-3677)

Notification of Amendment of Articles of Incorporation and Election of Directors

This is to notify that at the Board of Directors meeting on September 11, 2007, NAF resolved that the following Election of Directors and changes to the Articles of Incorporation will be put up for discussion at the Third General Meeting of Unitholders planned for October 12, 2007.

This proposal will become effective upon approval at the above General Meeting of Unitholders.

1. Summary of, and Reasons for, the Amendment of the Articles of Incorporation

- (1) The Investment Trust and Investment Corporation Act of Japan (below, "Investment Trust Act") was developed and revised through the Law Concerning the Coordination, Etc. of Associated Laws in Connection with the Enforcement of the Company Law, and the Company Law, enacted May 1, 2006. Accordingly, required changes were made throughout the current Articles of Incorporation, to bring them in line with related laws and regulations. (Subject articles: 3, 4, 6, 7, 11, 15, 17, 19, 21, 23, 28, 32, 34, 36, 38)
- (2) Through the Law Partially Revising the Securities and Exchange Law enacted on September 30, 2007, the Securities and Exchange Law (renamed the Financial Products Transaction Law) and the Investment Trust Act were revised. Accordingly, required revisions are made to the text. (Subject articles: 28, 29, 32, 35, 36, 40)
Also, as issuance of short term investment corporation bonds by investment corporations became possible, a change is made to enable flexible capital raising by NAF. (Subject article: 35)
- (3) Accompanying revisions to the Special Taxation Measures Law, the special case for acquisition of 100% of preferred subscription certificates of special purpose corporations was repealed, so related provisions are to be deleted, etc. (Subject article: 27)
- (4) Articles of Incorporation text which was required at the time of establishment of NAF is to be deleted, for simplification of the Articles of Incorporation. (Subject articles: 1, 23, 33)

(5) In preparation for future revisions in laws and regulations, quotations in Articles of Incorporation of articles and clauses from laws and regulations are to be deleted as much as possible, along with required revisions to text associated with these revisions. (Subject articles: 2, 19, 20, 28, 32, 34, 40)

(Regarding details of changes to Articles of Incorporation, please refer to the attached “Notice of the Third General Meeting of Unitholders”)

2. Election of Directors

The elected terms of all Executive Directors (2) and all Supervisory Directors (3) end on October 12, 2007, so 2 Executive Directors and 3 Supervisory Directors are to be elected.

(1) Executive Director candidates

Yuji Yokoyama (in-service)

Nobuyuki Nakai (in-service)

(2) Supervisory Director candidates

Takeo Tomita (in-service)

Michihiko Takabe (in-service)

Hiroyuki Sodeyama (in-service)

(Regarding details on the director election, please refer to the attached “Notice of the Third General Meeting of Unitholders”)

3. Scheduled dates of the meetings, etc.

September 11, 2007 Resolution of Board of Directors Meeting for holding the Third General Meeting of Unitholders

September 26, 2007 Posting of the “Notice of the Third General Meeting of Unitholders” (scheduled)

October 12, 2007 Third General Meeting of Unitholders (scheduled)

This English language notice is a translation of the Japanese language notice dated September 11, 2007 and was prepared solely for the convenience of, and reference by, overseas investors. NAF makes no warranties as to its accuracy or completeness.