

December 6, 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 Concerning Issue of Investment Corporation Bonds

Nippon Accommodations Fund (“NAF”) provided notice of its resolution to issue public issue investment corporation bonds, based on the “General Resolution to Issue Investment Corporation Bonds” adopted at the Board of Directors’ Meeting held on October 15, 2007, as follows.

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| 1. Name of the investment corporation bonds | Nippon Accommodations Fund Inc. 1st
Unsecured Investment Corporation Bonds
(with special pari pasu conditions among
specified investment corporation bonds) |
| 2. Total amount of the
investment corporation bonds | ¥10 billion |
| 3. Unit price | ¥100 million |
| 4. Application of Bond Transfer Law | The Law Concerning Book-Entry Transfer of Corporate Bonds applies to all of these
investment corporation bonds, so investment corporation bond certificates will not be issued. |
| 5. Interest rate | 1.7% per annum |
| 6. Payment amount | ¥100 per ¥100 par value of investment
corporation bonds |
| 7. Redemption amount | ¥100 per ¥100 par value of investment
corporation bonds |
| 8. Issue method | Public offering |
| 9. Offering period | November 7, 2007 |
| 10. Payment date | November 15, 2007 |
| 11. Method and Date of Redemption | The entire amount of the investment corporation
bonds shall be redeemed on November 14, 2014 |
| 12. Interest payment dates | May 15 and November 15 each year |

13. Security or Guarantee

No secured mortgage or guarantee is applicable to, and no assets are specifically reserved as collateral for the investment corporation bonds.

14. Financial covenant

Negative pledge applies

15. Ratings

A1 (Moody's Investors Service, Inc.)
A+ (Standard & Poor's Ratings Services)
AA (Rating & Investment Information, Inc.)

16. Fiscal agent, issuing agent, and paying agent

The Chuo Mitsui Trust and Banking Co., Ltd

17. Depository

Japan Securities Depository Center, Inc.

18. Underwriting Securities Companies

Nomura Securities Co., Ltd.
Merrill Lynch Japan Securities Co., Ltd.

Mitsubishi UFJ Securities Co., Ltd.

19. Use of funds Repayment of loans

* This English language notice is a translation of the Japanese language notice dated November 7, 2007 and was prepared solely for the convenience of and reference by, overseas investors. NAF makes no warranties as to its accuracy or completeness.