

October 16, 2009

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 Sale of Domestic Real Estate Property

This is a notification that Nippon Accommodations Fund Inc. ("NAF") decided on the sale of a real estate property in Japan as shown below.

1. Reason for sale

In response to the proposal of the following buyer, NAF has decided the sale of this property on a comprehensive manner examining the trend of the real estate market and terms and conditions of the contract and taking into consideration its influence causing on our entire portfolio.

2. Outline of property to be sold

(a) Name of property	Park Axis Ichigaya
(b) Location	7-18, Ichigaya Honmura-cho, Shinjuku-ku, Tokyo (residence indication)
(c) Uses (Note 1)	Apartment building/ residence/ bicycle parking lot/ storeroom/ warehouse
(d) Area (Note 2)	Site area: 1,621.35m ² Gross floor area: 3,786.11m ²
(e) Structure/ number of stories (Note 3)	Flat-roofed reinforced concrete structure/ 6 stories
(f) Completion date (Note 4)	February 28, 2005
(g) Ownership form	Proprietorship
(h) Book value	¥2,556,811,555 (as of August 31, 2009)
(i) Sale price (Note 5)	¥3,100,000,000
(j) Difference between sale price and book value	¥543,188,445
(k) Appraised value (Note 6)	¥2,570,000,000 (date of value appraisal: August 31, 2009)
(l) Appraisal company	Morii Appraisal & Investment Consulting, Inc.
(m) Date of transfer	February 24, 2010 (planned)

<Caution> This document is a press release intended for general publication regarding NAF's sale of real estate property and is not for purposes of soliciting investment. When investing, we ask that investors exercise their own judgment taking full responsibility after having read carefully the new investment unit issuance and secondary offering prospectus, or any corrections thereof, prepared by NAF.

(n) Details of tenants

Details of tenants (Note 7)	Total number of tenants	1
	Rentable units	84
	Rented units	78
	Rentable area (m ²)	3,313.33
	Rented area (m ²)	3,066.78
	Occupancy rate (%)	92.6
	Deposit (thousand yen)	25,713

(Note 1) "Uses" is stated based on the entries in the register.

(Note 2) "Area" denotes the area as entered in the register.

(Note 3) "Structure/ number of stories" is stated based on the entries in the register.

(Note 4) "Completion date" denotes the date as entered in the register.

(Note 5) "Sale price" denotes the trading value (exclusive of miscellaneous expenses, fixed property taxes, urban planning taxes, consumption taxes, and local consumption taxes) specified in the real estate sales contract for the property to be sold.

(Note 6) "Appraised value" is based on the statement in the real estate appraisal report on the property to be sold that was prepared by Morii Appraisal & Investment Consulting, Inc.

(Note 7) Description of the "Details of tenants" column:

(i) "Total number of tenants" is denoted as "1" because, as to the property to be sold, NAF has concluded a master lease contract (blanket lease contract) with Mitsui Fudosan Housing Lease Co., Ltd. as the master lease company.

(ii) "Rentable units" denotes the number of rentable units in the property to be sold.

(iii) Figures for "Rented units," "Rented area," and "Deposit" are based on information valid as of September 30, 2009.

(iv) "Rentable area" denotes the total rentable area of the building of the property to be sold.

(v) "Occupancy rate" represents the percentage of "Rented area" to "Rentable area" and is rounded to one decimal place.

3. Outline of buyer

Trade name	Dai Nippon Printing Co., Ltd.
Head office address	1-1-1, Ichigaya Kaga-cho, Shinjuku-ku, Tokyo
Representative	President and Chief Executive Officer, Yoshitoshi Kitajima
Description of operations	Printing business, etc.
Capital	¥114,464 million
Date of establishment	January 1894
Net assets	¥694,927 million (as of March 31, 2009)
Total assets	¥1,205,056 million (as of March 31, 2009)
Relationships between NAF or the investment trust management company, and the buyer	
Capital relationships	There are no capital relationships to report between NAF or the investment trust management company, and the buyer. Also, there are no capital relationships to make special note of between related persons or companies of NAF or the investment trust management company, and related persons or companies of the buyer.
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Applicability to related parties	The buyer does not fall under the category of related parties of NAF or the investment trust management company. Also, related persons or companies of the buyer do not fall under the category of related parties of NAF or the investment trust management company.

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4. Settlement: Lump sum settlement on the planned date of delivery

5. Schedule for sale

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|---|-----------------------------|
| (1) Date of conclusion of sales contract: | October 16, 2009 |
| (2) Date of handover and settlement: | February 24, 2010 (planned) |

6. Outlook for management of the property after transfer

As stated in "Notification Concerning Financial Results Forecast for the Periods Ending February 28, 2010 and August 31, 2010" released on October 16, 2009.

- The Japanese original document was distributed to press clubs within the Tokyo Stock Exchange (Kabuto Club) and the Ministry of Land, Infrastructure and Transport, and to the press club of the construction trade newspaper of the Ministry of Land, Infrastructure and Transport.
- NAF website: <http://www.naf-r.jp>

Please note that this English translation of the Japanese original document is provided solely for information purposes. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

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