

December 4, 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 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
Shinkin Central Bank	2billion yen	0.77000%	Unsecured & unguaranteed, Bullet repayment	November 5,2009	December 1,2009

2. Use of Funds

To purchase real estate* and related incidental expenses. (as mentioned in “Notification Concerning Completed Acquisition of Domestic Real Estate Properties.”)

(*) Park Axis Naka Gofukumachi ,Park Axis Nishigahara,Park Axis Kinshicho,
 Park Axis Tatsumi Stage, Park Axis Shirakabe,Park Axis Sendai, Park Axis Kameido,
 Park Axis Honancho,Park Axis Itabashi,Park Axis Oshiage, Park Axis Takadanobaba,
 Park Axis Takadanobaba,Park Axis Hakata Minoshima, Park Axis Takamiya Higashi

3. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks”description in the latest securities report submitted on May 27, 2009.

This English language notice is a translation of the Japanese language notice dated November 2, 2009 and was prepared solely for the convenience of, and reference by, overseas investors. NAF makes no warranties as to its accuracy or completeness.

<Attached documents>

- Status of interest-bearing debt after this event

Reference data

<Status of interest-bearing debt after this event>

(Unit: billion yen)

	Before this event	After this event	Change
Short-term debt	23.5	25.5	2
Long-term debt	47.5	47.5	—
Investment corporation bonds	10.0	10.0	—
Total interest-bearing debt	81.0	83.0	2

Interest-bearing debt ratio	57.1%	50.7%	▲6.4
Long term interest-bearing debt ratio	71.0%	69.3%	▲1.7

(*1) The following formula was used to calculate the interest-bearing debt ratio.

(interest bearing debt ratio) = (interest bearing debt) ÷ (interest bearing debt + unitholder's capital) X 100

The unitholder's capital as of November 4, 2009 (80,773,762,000 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.