

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
The Bank of Fukuoka,Ltd.	2 billion yen	0.80727%	Unsecured & unguaranteed, Bullet repayment	November 16, 2009	December 16, 2009
The Chuo Mitsui Trust and Banking Co., Ltd.	3.5billion yen	0.96780%	Unsecured & unguaranteed, Bullet repayment	November 16, 2009	February 1,2010

#### 2. Use of Funds

To apply the funds toward the repayment of short-term loan of ¥5,500 million concluded on April 16, 2009 and September 30,2009

#### 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 12, 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	25.5	25.5	—
Long-term debt	47.5	47.5	—
Investment corporation bonds	10.0	10.0	—
Total interest-bearing debt	83.0	83.0	—

Interest-bearing debt ratio	50.7%	50.7%	—
Long term interest-bearing debt ratio	69.3%	69.3%	—

(\*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 today (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.