

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 Chuo Mitsui Trust and Banking Co., Ltd.	0.5billion yen	0.83205%	Unsecured & unguaranteed, Bullet repayment	December 1,2009	January 8,2010
The Hachijuni Bank, Ltd.	1billion yen	1.50250%		December 1,2009	May 31,2013
Shinkin Central Bank	3billion yen	1.60875%		December 1,2009	November 29,2013
Mizuho Corporate Bank, Ltd.	2billion yen	1.60875%		December 1,2009	November 29,2013
The Chuo Mitsui Trust and Banking Co., Ltd.	2billion yen	1.60875%		December 1,2009	November 29,2013
The Chuo Mitsui Trust and Banking Co., Ltd.	2billion yen	1.66688%		December 1,2009	May 30,2014
Sumitomo Mitsui Banking Corporation	4billion yen	1.66688%		December 1,2009	May 30,2014
Mitsubishi UFJ Trust and Banking Corporation	3billion yen	1.66888%		December 1,2009	May 30,2014

## 2. Use of Funds

To purchase real estate\* and related incidental expenses. ( as mentioned in “Notification Concerning Completed Acquisition of Domestic Real Estate Properties.” Released on October 16,2009 and To apply the funds toward the repayment of short-term loan of ¥2,000 million concluded on November 5, 2009.)

(\*) Park Axis Sapporo Shokubutsuen Mae, Park Axis Toyosu

## 3. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks”description in the latest securities report submitted on November 26, 2009.

This English language notice is a translation of the Japanese language notice dated November 27, 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	24.0	▲1.5
Long-term debt	47.5	64.5	17
Investment corporation bonds	10.0	10.0	—
Total interest-bearing debt	83.0	98.5	15.5

  

Interest-bearing debt ratio	50.7%	54.8%	4.2
Long term interest-bearing debt ratio	69.3%	75.6%	6.4

(\*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 December 1, 2009 (81,102,737,000 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.