

March 4, 2010

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
Mitsubishi UFJ Trust and Banking Corporation	5billion yen	0.75545%	Unsecured & unguaranteed, Bullet repayment	February 22, 2010	March 23, 2010

#### 2. Use of Funds

To apply the funds toward the repayment of short-term loan of ¥5,000 million concluded on January 20, 2010.

#### 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 February 18, 2010 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	26.5	26.5	—
Long-term debt	65.5	65.5	—
Investment corporation bonds	10.0	10.0	—
Total interest-bearing debt	102.0	102.0	—

Interest-bearing debt ratio	55.7%	55.7%	—
Long term interest-bearing debt ratio	74.0%	74.0%	—

(\*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 (81,102,737 thousand 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.