Nippon Accommodations Fund

April 9, 2014

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.
Executive Director   Nobumi Tobari
(Code Number 3226)
Investment Trust Management Company
Mitsui Fudosan Accommodations Fund Management Co., Ltd.
President and CEO   Kosei Murakami
Contact CFO and Director   Satoshi Nohara
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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 Hachijuni Bank, Ltd.	1 billion yen	0.63900%	Unsecured & unguaranteed, Bullet repayment	April 11, 2014	April 9, 2021

2. Use of Funds

To apply the funds toward the repayment of long-term loan of ¥1 billion concluded on April 12, 2010.

3. Status of interest-bearing debt after this event
(Unit: billion yen)

	Before this event	After this event	Change
Short-term debt	12.0	12.0	—
Long-term debt	130.5	130.5	—
Investment corporation bonds	17.0	17.0	—
Total interest-bearing debt	159.5	159.5	—

	Before this event	After this event	Change
Interest-bearing debt ratio	55.9%	55.9%	—
Long term interest-bearing debt ratio	92.5%	92.5%	—

(*1) The following formula was used to calculate the interest-bearing debt ratio.
   (interest bearing debt ratio) = (interest bearing debt) ÷ (interest bearing debt + unitholders' capital) X 100
   The unitholders' capital as of today (125,686,793 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.

4. Others

Regarding the loan repayment risk, there is no important change to the "Investment risks" description in the latest securities report submitted on November 27, 2013.

- NAF website: http://www.naf-r.jp/english/index.html

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