

September 28, 2021

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities:
Nippon Accommodations Fund Inc.
Takashi Ikeda, Executive Director
(TSE Code: 3226)
Investment Trust Management Company:
Mitsui Fudosan Accommodations Fund
Management Co., Ltd.
Tateyuki Ikura, President and CEO
Inquiries: Tetsuji Kawakami, CFO and Director
(TEL: +81-3-3246-3677)

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
NIPPON LIFE INSURANCE COMPANY.	1.0 billion yen	0.500%	Unsecured & unguaranteed, Bullet repayment	September 30, 2021	April 30, 2031

2. Use of Funds

To apply the funds toward the repayment of long-term loans ¥2.0 billion concluded on October 1, 2014.

3. Status of Interest-bearing Debt After this Event

(Unit: billion yen)

	Before this Event	After the Issuance (as of September 30, 2021)	Change
Short-term debt	4.0	3.0	(1.0)
Long-term debt	161.5	162.5	1.0
Total debt	165.5	165.5	—
Investment corporation bonds	4.0	8.0	4.0
Total interest-bearing debt	169.5	173.5	4.0

Interest-bearing debt ratio	53.8%	54.4%	0.6%
Long-term interest-bearing debt ratio	97.6%	98.3%	0.6%

(*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 (145,449,910 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) The issuance of investment corporation bonds of 4 billion yen which was announced in the “Notification Concerning Issuance of Investment Corporation Bonds” on September 9, 2021 and the repayment of 1 billion yen of short-term debt due on September 30, 2021 has been reflected on “After the Issuance” in the table above.

4. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks” description in the latest securities report submitted on May 31, 2021.

NAF website: <https://www.naf-r.jp/english/>

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