



## **Moody's assigns A1 rating to Nippon Accommodations Fund's Series 1 bonds**

### JPY 10 billion of debt securities affected

Tokyo, November 7, 2007 -- Moody's Investors Service has assigned A1 unsecured senior debt rating to the proposed issue of Series 1 (JPY 10 billion, due 2014) Japan domestic bonds by Nippon Accommodations Fund Inc. (NAF). This is the takedown from NAF's JPY 100 billion domestic shelf registration of July 2007, which is rated (P)A1. The rating outlook is stable.

The rating reflects NAF's [1] stable cash flow based on its diversified residential property portfolio, [2] strong capability in property acquisition and management, utilizing the network of its asset management company's sponsor, and [3] reasonably conservative financial policy.

Nippon Accommodations Fund Inc. is a listed J-REIT, focused on investment in and management of residential properties. Its revenues totaled approximately JPY 3.5 billion in the fiscal half-year ended August 2007.

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