



NEWS RELEASE

No.2007-C-1067
Nov 7, 2007

R&I Assigns AA: NAF Shelf Reg. SB No.1

Rating and Investment Information, Inc. (R&I) has announced the following.

ISSUER: Nippon Accommodations Fund. (Sec. Code: 3226)
Preliminary Rating for the Shelf Registration scheme

R&I RATING:AA

RATIONALE:

Nippon Accommodations Fund (NAF) is a real estate investment trust (J-REIT) which became listed in August 2006. The fund invests in accommodation assets primarily for rental purposes including student dormitories, student apartments, serviced apartments, senior residences and corporate housing. NAF's sponsor is Mitsui Fudosan Co., Ltd.

Its portfolio comprises large-sized and high grade residential properties mainly in central Tokyo and its tenant composition is fairly diversified. NAF aims to further incorporate development projects led by its sponsor into its portfolio and expand the fund scale. NAF pursues a conservative financial policy and has high funding capacity.

R&I RATINGS:

ISSUER: Nippon Accommodations Fund. (Sec. Code: 3226)
ISSUE: Preliminary Rating for the Shelf Registration scheme
Bonds to be Rated: Corporate Bonds
Issue Amount: Yen 100,000 million (Shelf Amount)
Issue Period: Two years from Jul 18, 2007

R&I RATING: AA

The following ratings have been assigned to bonds to be issued under the shelf registration scheme rated above:

LONG-TERM ISSUE RATING:	Issue Date	Redemption	Issue Amount (mn)
Unsec. Str. Bonds No. 1	Nov 15, 2007	Nov 14, 2014	Yen 10,000
R&I RATING:	AA		

Notes/Financial covenants:

1) negative pledge clause, which covers other unsecured domestic bonds the firm may issue in the future, except those with a change of security status clause

ISSUER RATING: AA
RATING OUTLOOK: Stable

Issuer Rating is R&I's opinion regarding an issuer's overall capacity to repay its entire financial obligation, and it will be assigned to all issuers. The rating of individual obligations (i.e. bonds and loans etc.) includes the prospect of recovery and reflects the terms and conditions of the agreement and it may be lower or higher than the Issuer Rating.

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Ratings are statements of R&I's opinion shown in certain symbols regarding an Issuer's general capacity (credit quality) to repay its financial obligation and individual debts (bonds and loans, etc.) and it is not a statement of recommendations to buy, hold, or sell any securities. Information has been obtained by R&I from sources believed to be reliable, however, its accuracy, adequacy, or completeness is not guaranteed. Therefore, R&I is not responsible for any errors or omissions or the result obtained from the use of the rating. As a general rule, R&I provides the rating services for a rating fee paid by the Issuer.

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