

# Japan Single-residence REIT Inc.

Analyst Presentation  
Materials  
for  
8th Fiscal Period Ended  
July 31, 2009

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September 2009



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# 1. Highlights of 8th fiscal period

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## Highlights of 8th fiscal period (ended July 31, 2009)

### Cash distribution

- ◆ Cash distribution per unit: ¥4,479  
(initially expected cash distribution per unit of ¥4,750)

### Rental position

- ◆ Operating revenue:  
¥1,794million (7th fiscal period)    ¥1,776million (8th fiscal period)
- ◆ Average occupancy rates:  
92.8% (during the 7th fiscal period)    90.8% (during the 8th fiscal period)
- ◆ Occupancy rates at end of 8th fiscal period: 89.7%

### Financial position

- ◆ Refinancing through 6-bank syndicate group (July 2009)  
¥10,562million  
Repayment day: October 30, 2009 (borrowing period: 3.5months)
- ◆ Refinancing through Aozora Bank, Ltd. (July 2009)  
¥6,130million  
Repayment day: October 30, 2009 (borrowing period: 3.5months)
- ◆ Transition of LTV:  
52.0% (end of 7th fiscal period)    52.0% (end of 8th fiscal period)

# Refinancing position

## End of 7th fiscal period

### Short-term Loan

The Chuo Mitsui Trust and Banking Company, Limited  
 Aozora Bank, Ltd.  
 Mizuho Trust & Banking Co., Ltd.  
 Sumitomo Mitsui Banking Corporation  
 The Bank of Tokyo-Mitsubishi UFJ, Ltd.  
 Resona Bank, Ltd.

¥10.615 billion

Borrowing rate: TIBOR+150bps  
Repayment date: July 15, 2009

Aozora Bank, Ltd. (¥6.13 billion)  
 Borrowing rate: TIBOR+200bps  
 Repayment date: March 16, 2009 (Note 1)

The MusashinoBank, Ltd. (¥0.62 billion)  
 Borrowing rate: TIBOR+150bps  
 Repayment date: October 30, 2009  
 (¥50 million to be paid on each interest payment day up until the repayment date.)

### Long-term Loan

General Electric Company (¥13.6 billion)  
 (Former: GE Real Estate Corporation)  
 Borrowing rate: TIBOR+85bps (Note2)  
 Repayment date: March 31, 2010

## End of 8th fiscal period

### Short-term Loan

The Chuo Mitsui Trust and Banking Company, Limited  
 Aozora Bank, Ltd.  
 Mizuho Trust & Banking Co., Ltd.  
 Sumitomo Mitsui Banking Corporation  
 The Bank of Tokyo-Mitsubishi UFJ, Ltd.  
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 Borrowing rate: TIBOR+150bps  
 Repayment date: October 30, 2009  
 (¥50 million to be paid on each interest payment day up until the repayment date.)

### Long-term Loan (due within one year)

General Electric Company (¥13.6 billion)  
 Borrowing rate: TIBOR+85bps (Note2)  
 Repayment date: March 31, 2010

(Note1) The borrowing from Aozora Bank, Ltd. was refinanced on March 16, 2009, with repayment date on July 15, 2009.

(Note2) The interest rate swap transaction was entered into for ¥ 10.1 billion, a portion of the ¥ 13.6 billion in borrowings. Consequently, interest rates will be set at 2.335% on ¥ 3.5 billion from November 1, 2007 to March 31, 2010, at 2.095% on ¥ 4.5 billion from February 1, 2008 to March 31, 2010, and at 2.085% on ¥ 2.1 billion from February 1, 2008 to March 31, 2010. In addition, an interest rate cap was purchased on ¥ 3.5 billion, for the period from November 1, 2007, to March 31, 2010.

## Differences between forecasts and results of 8th fiscal period

	Forecasts	Results	Difference	Factors for differences between forecasts and results
<b>Operating revenue</b> (millions of yen)	<b>1,808</b>	<b>1,776</b>	<b>- 32</b>	<ul style="list-style-type: none"> <li>- Decrease in revenue due to the drop in the average occupancy rates during the fiscal period ( -79 million yen) Average occupancy rates (forecast: 94.3% results:90.8%)</li> <li>- Increase in key money and renewal fees received ( +44 million yen)</li> </ul>
<b>Operating expenses</b> (millions of yen)	<b>1,018</b>	<b>1,017</b>	<b>- 1</b>	<ul style="list-style-type: none"> <li>- Increase in administrative service fees due to increase in number of contract renewals ( +33 million yen)</li> <li>- Decrease in property management fees due to reduced occupancy rates ( -15 million yen)</li> <li>- Reduction by revision of building management expenses ( -7 million yen)</li> <li>- Reduction by revision of accident insurance ( -2 million yen)</li> <li>- Decrease in original condition restoration cost due to a decline in the number of contract terminations ( -8 million yen) (Number of contract terminations: Forecasts 652 units Results 554 units)</li> </ul>
<b>Operating income</b> (millions of yen)	<b>790</b>	<b>759</b>	<b>- 31</b>	
<b>Non-Operating income</b> (millions of yen)	<b>- 523</b>	<b>- 507</b>	<b>+16</b>	<ul style="list-style-type: none"> <li>- Decrease in financial expenses ( +8 million yen)</li> <li>- Decrease in financing ancillary expenses ( +4 million yen)</li> </ul>
<b>Ordinary income</b> (millions of yen)	<b>267</b>	<b>252</b>	<b>- 15</b>	
<b>Net income</b> (millions of yen)	<b>266</b>	<b>251</b>	<b>- 15</b>	
<b>Cash distribution per unit</b> (yen)	<b>4,750</b>	<b>4,479</b>	<b>- 271</b>	

(Note 1) The calculation period for 8th fiscal period is from February 1, 2009 to July 31, 2009 (181 days).

(Note 2) Forecasts for the period ending July 31, 2009 are figures publicized on March 17, 2009.

(Note 3) The following revisions to forecasts released on July 13, 2009.

Operating revenue: 1,764million yen, Ordinary income: 237million yen, Net income: 235million yen, Cash distribution per unit: 4,200yen

## 2. Results of operations of 8th fiscal period

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## 8th fiscal period results of value-added construction (1)

### ◆ Maintenance and improvement of property value through value-added construction

Providing tenants with comfortable living space while improving the medium- to long-term value of portfolio properties, and maintaining competitiveness

#### Single-residence Marunouchi

##### 1. Improvement of external wall

- Improvement made to create a bright, warm atmosphere by changing external wall finishing material to stone sheet material and installing indirect lighting that serves also as the building name plaque

##### 2. Restoration of entrance hall

- Design changed to realize a warmer space by giving the internal wall finish a plaster feel and installing a lighted niche surrounded by mirrors

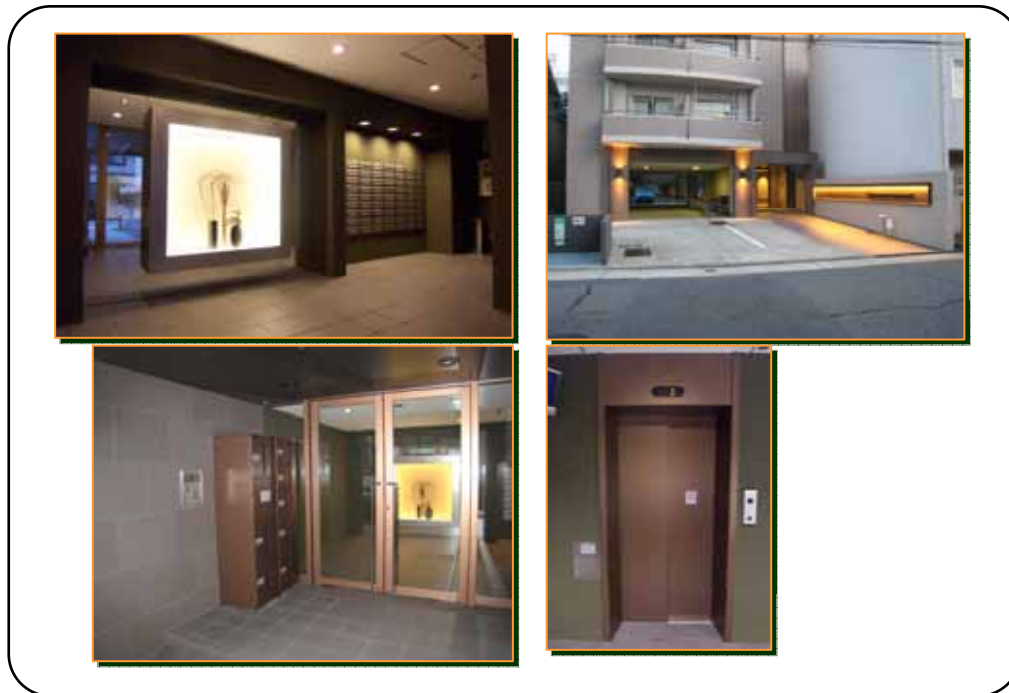
**Address:** Habashita, Nishi-ku, Nagoya-shi, Aichi

**Date of completion:** February, 2004

**Structure:** RC 10 floors

**Number of rentable units:** 72units

after



before





## 8th fiscal period results of value-added construction (2)

### Strengthening security

#### 1. Increase in the number of security cameras

(Installation during the fiscal period:  
SR Tenjin Higashi, SR Kyudaiyoin-mae,  
SR Shijyo Kawaramachi)

#### 2. Enhancing the functions of security cameras

(Installation during the fiscal period:  
T J Komazawa-koen, SR Umeda TOWER,  
SR Nakanoshima)



### Continuing value-added construction

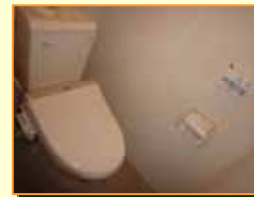
#### 1. Flooring of residences (continuation of carpet to wooden floor conversion)

- Conversion is being carried out when tenants vacated units.  
- Orders during the fiscal period: 46units in 5 properties, Installation rate: about 65%



#### 2. Installation of personal hygiene system warm-water toilet seats

- Installation is being carried out when tenants vacated units.  
- Orders during the fiscal period: 277units in 11 properties, Installation rate: about 54%



### Other value-added construction

#### 1. Planting work at entrance approach

(Carried out during the fiscal period: SR Tenjin minami)



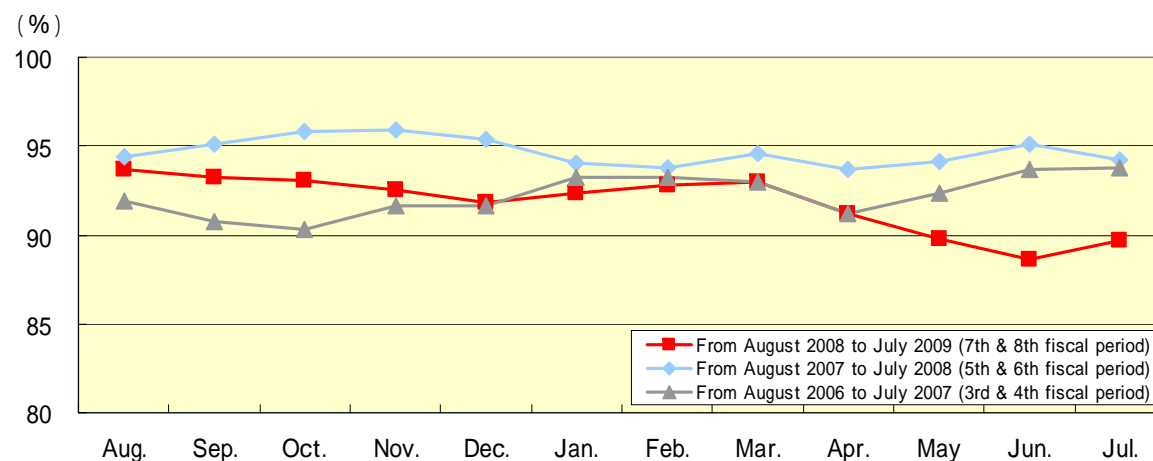
#### 2. Installation of car barriers (unauthorized parking prevention)

(Installed during the fiscal period:  
SR Karasuma Kuramaguchi)



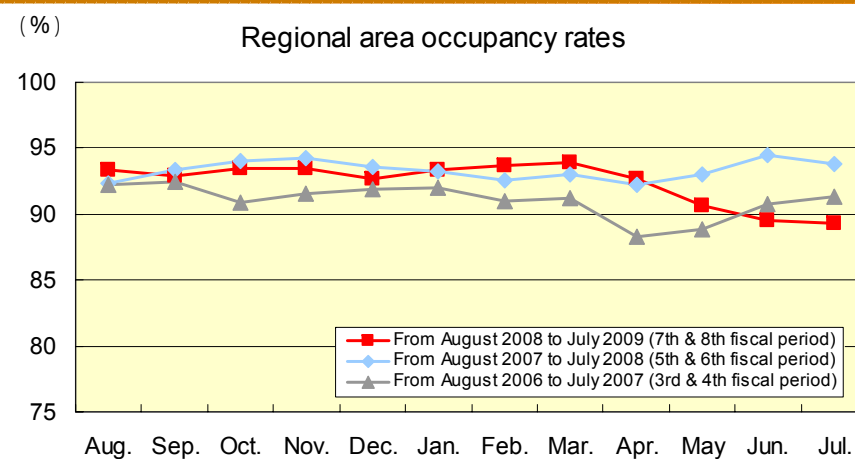
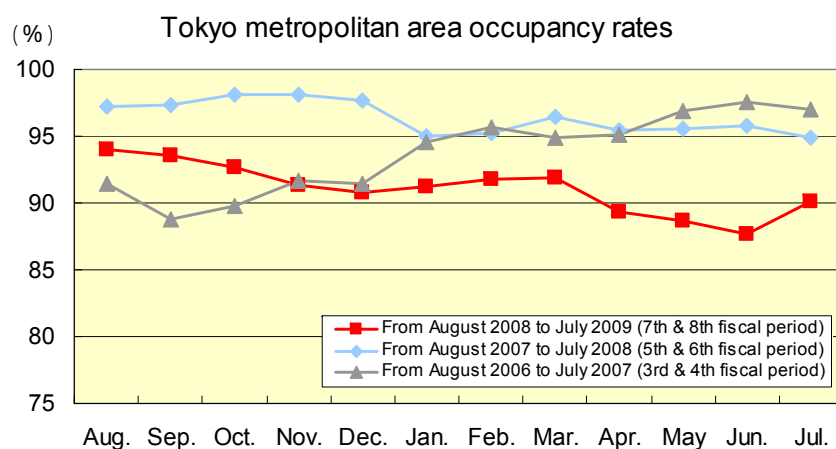
# Transition of occupancy rates

## Transition of occupancy rates on the previous period



	Average occupancy rates		
	Total	Tokyo Metropolitan Area	Regional Areas
8th fiscal period	90.8%	89.9%	91.6%
7th fiscal period	92.8%	92.3%	93.2%
6th fiscal period	94.3%	95.5%	93.2%
5th fiscal period	95.1%	97.2%	93.5%
4th fiscal period	92.9%	96.2%	90.2%
3rd fiscal period	91.6%	91.3%	91.8%
2nd fiscal period	94.3%	95.6%	93.3%
1st fiscal period	89.4%	88.6%	90.2%

## Occupancy rate comparison between Tokyo metropolitan area and regional areas



(Note) The average occupancy rates are the average of end of month occupancy rates during the period.

# Transition of appraisal

- ◆ CR (direct capitalization method) and DR/TCR (DCF method) increased for all 43 properties
- ◆ Decrease in appraisal value by ¥3,101 million (5.9%) compared to the end of 7th fiscal period
- ◆ Number of properties whose appraisal NOI decreased by 3% or more: 9 properties  
Number of properties whose capitalization rates increased by 0.3% or more: 21 properties

Area		Number of properties		Acquisition Value (millions of yen)	Appraisal value a end of 7th fiscal period (millions of yen) (A)	Appraisal value a end of 8th fiscal period (millions of yen) (B)	Difference (millions of yen) (B)-(A)	Volatility (%) *2	Appraisal rate at end of 7th fiscal period			Appraisal rate at end of 8th fiscal period		
									Direct capitalization method	DCF method		Direct capitalization method	DCF method	
		SM *1	BH *1						CR	DR	TCR	CR	DR	TCR
Tokyo Metropolitan Area		21	1	34,415	32,431	30,590	-1,841	-5.7%	5.0%	4.8%	5.2%	5.2%	5.0%	5.4%
Kansai Area	Kyoto	3	1	4,802	4,511	4,266	-245	-5.5%	5.5%	5.2%	5.7%	5.8%	5.5%	6.0%
	Osaka	4	1	6,063	5,404	4,932	-472	-8.7%	5.6%	5.4%	5.8%	5.9%	5.6%	6.1%
Chukyo Area	Nagoya	2		2,115	2,013	1,878	-135	-6.7%	5.6%	5.4%	5.8%	5.9%	5.7%	6.1%
Government-designated cities	Sapporo	2		790	701	671	-30	-4.1%	5.9%	5.8%	6.1%	6.2%	6.1%	6.4%
	Sendai	3	1	4,152	3,971	3,782	-189	-4.8%	5.8%	5.5%	6.0%	6.1%	5.8%	6.3%
	Fukuoka	4		4,255	3,534	3,345	-189	-5.3%	6.1%	5.9%	6.3%	6.4%	6.2%	6.6%
Total		39	4	56,591	52,565	49,464	-3,101	-5.9%	(Note) CR: capitalization rate DR: discount rate TCR: terminal capitalization rate					

\*1 "SM" refers to single-occupant condominiums, and "BH" refers to business hotels.

\*2 (Appraisal value at end of 8th fiscal period - Appraisal value at end of 7th fiscal period) / Appraisal value at end of 7th fiscal period

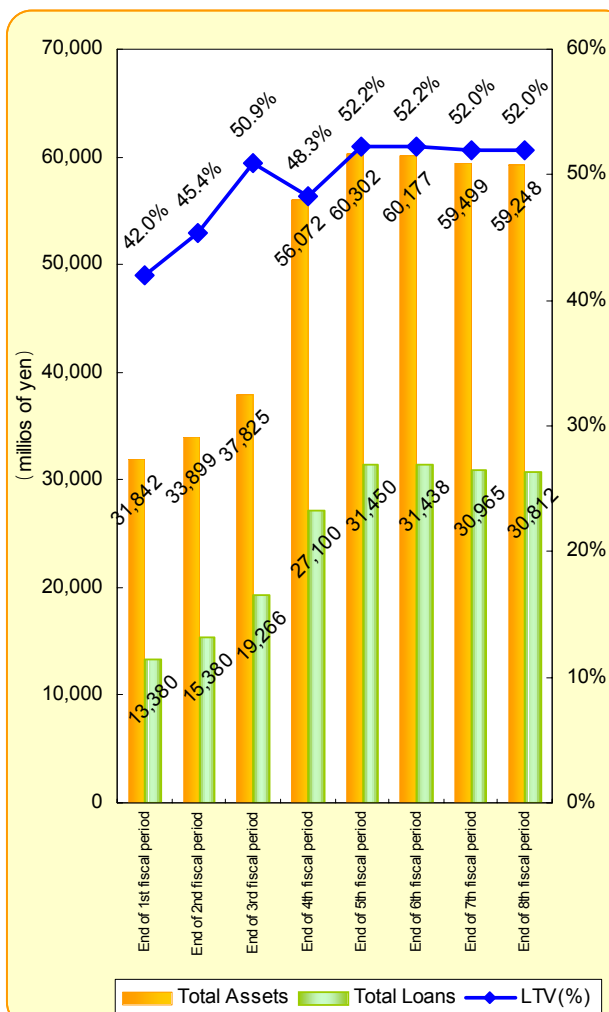
# Financial highlights (4th ~ 8th fiscal period)

	4th fiscal period From Feb. 1, 2007 to Jul. 31, 2007	5th fiscal period From Aug. 1, 2007 to Jan. 31, 2008	6th fiscal period From Feb. 1, 2008 to Jul. 31, 2008	7th fiscal period From Aug. 1, 2008 to Jan. 31, 2009	8th fiscal period From Feb. 1, 2009 to Jul. 31, 2009
Operating revenue (millions of yen)	1,591	1,753	1,861	1,794	1,776
Operating expenses (millions of yen)	804	910	1,016	994	1,017
Operating income (millions of yen)	787	843	845	800	759
Non-operating income (millions of yen)	- 223	- 253	- 350	- 485	- 507
Ordinary income (millions of yen)	564	590	495	315	252
Net income (millions of yen)	573	589	494	314	251
NOI (millions of yen)	1,249	1,420	1,465	1,424	1,378
FFO per unit (yen)	*1 16,295	16,464	15,062	11,864	10,761
Total assets (millions of yen)	56,072	60,302	60,177	59,499	59,248
Net assets (millions of yen)	27,910	27,785	27,737	27,529	27,493
Units issued and outstanding (units)	56,111	56,111	56,111	56,111	56,111
Net assets per unit (yen)	497,412	495,181	494,331	490,609	489,988
Cash distribution per unit (yen)	10,217	10,498	8,804	5,603	4,479
Number of operating days (days)	181	184	182	184	181

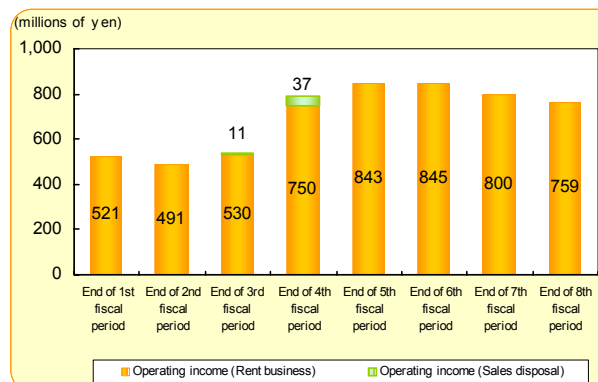
\*1 The calculation period of the FFO per unit for 4th fiscal period is by dividing the weighted-average number of units (53,381 units).

# Transition of results of operations (1st ~ 8th fiscal period)

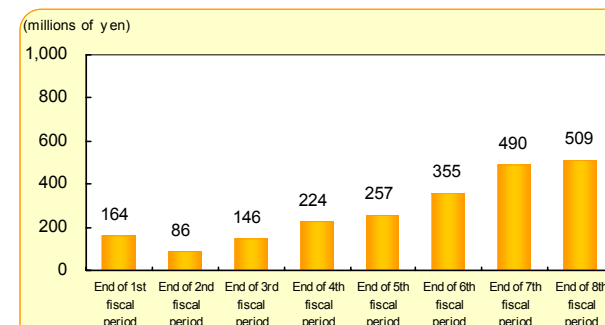
## Total assets / Borrowings / LTV



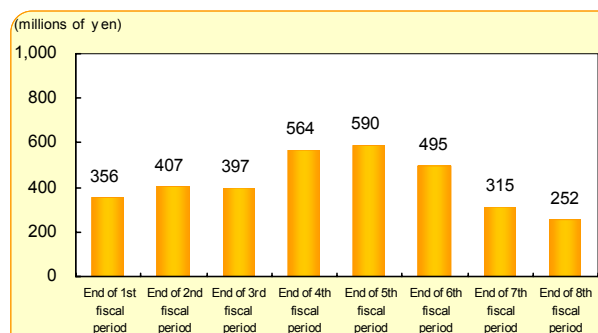
## Operating income



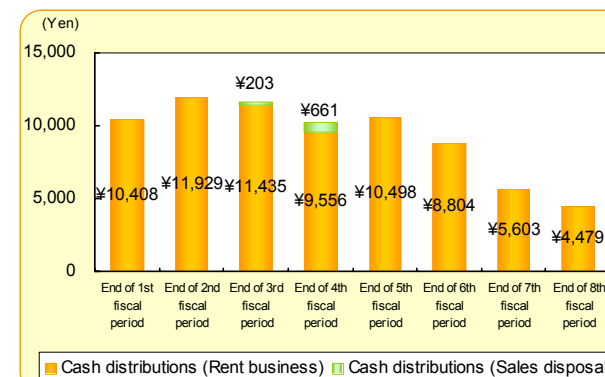
## Non-operating expenses (including interest expenses and borrowing expenses)



## Ordinary income



## Cash distribution per unit



### 3. Management policy in the future

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## 9th fiscal period (ending January 31, 2010) forecasted results of operations and assumptions

	8th fiscal period operation result (ended July 31, 2009 )	9th fiscal period forecasts (ending January 31, 2010)	Compared to 8th fiscal period	Factors of changes
<b>Operating revenue</b> (millions of yen)	<b>1,776</b>	<b>1,753</b>	<b>-23</b>	< Operating revenue > - Increase of rent income ( +4million yen)
<b>Operating expenses</b> (millions of yen)	<b>1,017</b>	<b>1,046</b>	<b>+29</b>	- Decrease in revenues from key money and renewal fees ( -27million yen)
<b>Operating income</b> (millions of yen)	<b>759</b>	<b>707</b>	<b>-52</b>	< Operating expenses > - Decrease in administrative service expenses fees due to fewer contract renewals ( -3million yen)
<b>Non-Operating income</b> (millions of yen)	<b>-507</b>	<b>-504</b>	<b>+3</b>	- Increase in property management fees ( +8million yen)
<b>Ordinary income</b> (millions of yen)	<b>252</b>	<b>203</b>	<b>-49</b>	- Increase in municipal property taxes and city planning taxes due to the end of reductions and exemptions ( +3million yen)
<b>Net income</b> (millions of yen)	<b>251</b>	<b>202</b>	<b>-49</b>	- Increase in communal area repairs (due to long-term repairs, etc.) (+13million yen)
<b>Cash distribution per unit</b> (yen)	<b>4,479</b>	<b>3,600</b>	<b>-879</b>	< Non-Operating income > - Decrease in financing-related expenses ( +6million yen)

### Assumptions for the 9th fiscal period forecasted results of operations

- Accounting period: From August 1, 2009 to January 31, 2010 (184 days)
- Portfolio properties: Forecasted results of operations are based on the assumption of 43 properties held as trust beneficiary interests as of July 31, 2009.
- Borrowings: Outstanding balance of borrowings as of July 31, 2009, is ¥30,812 million. This balance is expected to be unchanged.
- Operating expenses: Expenses related to rent business, which is the chief component of operating expenses, have been forecasted at ¥778 million. The main breakdown is as follows: ¥352 million in depreciation and amortization, ¥203 million in management consignments and ¥103 million in taxes and public dues.
- Non-Operating expenses: Interest expenses are forecasted to be ¥313 million and borrowing expenses are forecasted to be ¥169 million.

# Efforts to improve rent income

## ● 8th fiscal period - Leasing position

- Leasing after downward revision of rent for new tenants for some properties to meet the conditions of each rental market
- Intensification of competition with nearby properties  
Decrease in occupancy rates due to lack of sufficient effects from new tenant rent reductions even when leasing after revising new tenant rent based on examples of contracts made at nearby competing properties
- Insufficient rent setting  
554 vacancies, 466 new tenants      88 fewer tenants

## ● 9th fiscal period Leasing policy

- Significantly revising rents, urgently bringing occupancy rates back up to a high level and maintaining it of highest priority
- Aiming to significantly increase new tenants (188 more tenants)      Urgent occupancy rate recovery
- Maintaining high occupancy rates      Maintaining the competitiveness of properties      Avoiding rent competition for securing new tenants

### Number of new tenants and vacancies, occupancy rates

	Number of vacancies	Number of new tenants	Differences	Average occupancy rates during fiscal period	End of month occupancy rates at beginning of fiscal period	End of month occupancy rates at end of fiscal period
8th fiscal period (results)	554	466	-88	90.8%	92.8%	89.7%
9th fiscal period (expected)	537	725	188	93.3%	90.1%	95.5%

## ● Leasing policy for the 10th fiscal period and beyond

- Starting the fiscal period with high occupancy rates stops decrease in rent  
With an eye on market trends, increase rents to create upward trend in rent for new tenants for the 10th fiscal period and beyond



# Efforts to improve rent income

## (Reference) Effects of rent decrease

### ◆ 8th fiscal period

#### Rent for new tenants and renewals

Rent for new tenants	Number of units	Rent volatility
Increase in rent	35	6.0%
Rent unchanged	158	-
Decrease in rent	273	-13.3%
<b>Total</b>	<b>466</b>	<b>-7.9%</b>

Rent for renewals	Number of units	Rent volatility
Increase in rent	0	-
Rent unchanged	424	-
Decrease in rent	4	-7.0%
<b>Total</b>	<b>428</b>	<b>-0.1%</b>

- Rent volatility (new tenants 466 + renewals 428) = -4.4%
- Impact rate (894 units ÷ number of rentable units 2,767) = 32.3%
- Impact on revenue (-4.4% × 32.3%) = -1.4%

### ◆ 9th fiscal period

#### Rent for new tenants and renewals (expected)

Rent for new tenants	Number of units	Rent volatility
Increase in rent	65	1.70%
Rent unchanged	128	-
Decrease in rent	532	-9.7%
<b>Total</b>	<b>725</b>	<b>-6.9%</b>

Rent for renewals	Number of units	Rent volatility
Increase in rent	0	-
Rent unchanged	248	-
Decrease in rent	0	-
<b>Total</b>	<b>248</b>	<b>0.0%</b>

- Rent volatility (new tenants 725 + renewals 248) = -5.3%
- Impact rate (973 units ÷ number of rentable units 2,767) = 35.2%
- Impact on revenue (-5.3% × 35.2%) = -1.9%

(note) Number of rentable units is total of 39 single-occupant condominiums.

# Management policy for the 9th fiscal period and beyond

## Financial strategy

Initiative to refinance (¥17.2 billion) in October 2009

Further strengthening of relations of trust with financial institutions

Decrease in non-operating expenses (funding cost)

Increase of lenders, and protraction and dispersal of borrowing periods

Initiative to refinance (¥13.6 billion) in March 2010

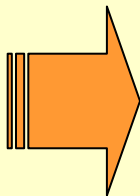
## Internal growth strategy

### Important objectives

Increase occupancy rates and strengthen leasing

Maintain and improve the asset value of properties

Improve tenant satisfaction and provide services



### Specific measures

Improve occupancy rates by setting flexible rents

Leasing strengthening efforts that include changing PM companies

Maintain and improve competitiveness and asset value by continuation of planned repairs and value-added construction

Further improve the living environment and provide services

Improve security by increasing the number of security camera installations and constructions to prevent trespassing

Ongoing tenant questionnaires

## 4. 8th fiscal period results

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# Statements of income

	Amount (Thousands of yen)	
	8th Fiscal Period	7th Fiscal Period
	From Feb. 1, 2009 to Jul. 31, 2009	From Aug. 1, 2008 to Jan. 31, 2009
1. Operating revenue		
Rent revenue—real estate	1,759,372	1,782,401
Other lease business revenue	16,883	12,563
Total of operating revenue	1,776,256	1,794,964
2. Operating expenses		
Expenses related to rent business	750,735	721,846
Directors' compensations	4,800	4,800
Asset management fee	147,527	151,679
Asset custody fee	8,437	8,517
Administrative service fee	23,841	23,791
Audit fee	10,200	10,200
Other operating expenses	71,656	74,017
Total of operating expense	1,017,197	994,852
<b>Operating income</b>	<b>759,058</b>	<b>800,111</b>
3. Non-operating income		
Interest income	1,446	2,220
Other non-operating income	1,750	3,031
Total of non-operating income	3,197	5,251
4. Non-operating expenses		
Interest expenses	330,990	339,344
Amortization of deferred organization expenses	5,972	5,972
Borrowing expenses	157,361	128,027
Amortization of investment unit issuance expenses	8,396	8,396
Other non-operating expenses	7,167	8,209
Total of non-operating expenses	509,888	489,950
<b>Ordinary income</b>	<b>252,366</b>	<b>315,412</b>
<b>Income before income taxes</b>	<b>252,366</b>	<b>315,412</b>
Income taxes—current	2,029	2,271
Income taxes—deferred	(993)	(1,231)
	1,036	1,040
<b>Net income</b>	<b>251,330</b>	<b>314,371</b>
<b>Retained earnings brought forward</b>	<b>1</b>	<b>20</b>
<b>Unappropriated retained earnings</b>	<b>251,332</b>	<b>314,391</b>

	Amount (Thousands of yen)	
	Fiscal Period	
	ended Jul. 31, 2009	
Breakdown of income from real estate rent operating		
A. Real estate rent operating revenue		
Rent revenue—real estate		
Rents		1,601,882
Management fees		56,556
Parking fees		26,181
Key money and renewal fees		64,380
Incidentals		10,372
Total		1,759,372
Other lease operating revenue		
Delinquency charge		674
Original condition restoration cost compensation		13,854
Other miscellaneous revenue		2,354
Total		16,883
Total real estate rent operating revenue		1,776,256
B. Real estate expenses related to rent business		
Expenses related to rent business		
Management consignment		193,899
Entrustment remunerations		26,933
Utilities		18,547
Taxes and public dues		100,382
Accident insurance		5,308
Repairs		33,594
Depreciation and amortization		352,485
Other expenses related to rent business		19,584
Total real estate expenses related to rent business		750,735
C. Real estate rent operating income (A-B)		1,025,520

# Balance sheets

	Amount (Thousands of yen)	
	8th Fiscal Period	7th Fiscal Period
	As of Jul. 31, 2009	As of Jan. 31, 2009
<b>ASSETS</b>		
<b>. Current assets</b>		
Cash and deposits	1,072,820	1,068,322
Cash and deposits in trust	1,399,830	1,408,612
Accounts receivable—trade	45,104	43,630
Advances account	62,900	—
Prepaid expenses	119,698	100,344
Deferred tax assets	1,295	1,024
Other	12,777	10,115
Allowance for doubtful accounts	(3,086)	(2,352)
<b>Total current assets</b>	<b>2,711,339</b>	<b>2,629,696</b>
<b>. Noncurrent assets</b>		
1. Property, plant and equipment		
Buildings in trust	23,300,806	23,569,374
Structures in trust	193,142	191,467
Machinery and equipment in trust	146,954	152,477
Tools, furniture and fixtures in trust	542,058	586,199
Land in trust	32,280,166	32,280,166
Construction in progress	—	2,637
Total property, plant and equipment	56,463,127	56,782,323
2. Intangible assets		
Right of trademark	208	225
Other	6,710	7,787
Total intangible assets	6,918	8,012
3. Investments and other assets		
Accounts receivable—long-term	7,726	6,061
Long-term prepaid expenses	—	3,409
Lease and guarantee deposits	10,000	10,000
Long-term deferred tax assets	3,038	2,316
Other	39,228	35,163
Allowance for doubtful accounts	(7,726)	(5,889)
Total investments and other assets	52,267	51,061
<b>Total noncurrent assets</b>	<b>56,522,313</b>	<b>56,841,396</b>
<b>. Deferred assets</b>		
Deferred organization expenses	5,972	11,945
Investment unit issuance expenses	8,451	16,848
<b>Total deferred assets</b>	<b>14,424</b>	<b>28,793</b>
<b>Total assets</b>	<b>59,248,077</b>	<b>59,499,886</b>

	Amount (Thousands of yen)	
	8th Fiscal Period	7th Fiscal Period
	As of Jul. 31, 2009	As of Jan. 31, 2009
<b>LIABILITIES</b>		
<b>. Current liabilities</b>		
Accounts payables	67,307	63,225
Short-term loans payable	17,212,000	17,365,000
Long-term loans due within one year	13,600,000	—
Accounts payable—other	6,125	21,157
Accrued expenses	102,448	113,382
Income taxes payable	1,740	1,827
Accrued consumption taxes	3,963	4,179
Advances received	5,133	4,543
Unearned revenue	278,047	290,166
Deposits received	173	123
Other	16,534	7,502
<b>Total current liabilities</b>	<b>31,293,473</b>	<b>17,871,108</b>
<b>. Noncurrent liabilities</b>		
Long-term loans payable	—	13,600,000
Tenant leasehold and security deposits in trust	420,190	431,305
Derivatives liabilities	40,646	68,872
<b>Total noncurrent liabilities</b>	<b>460,837</b>	<b>14,100,178</b>
<b>Total liabilities</b>	<b>31,754,310</b>	<b>31,971,286</b>
<b>NET ASSETS</b>		
<b>. Unitholders' equity</b>		
1. Unitholders' capital	27,317,380	27,317,380
2. Surplus		
Unappropriated retained earnings	251,332	314,391
Total surplus	251,332	314,391
<b>Total unitholders' equity</b>	<b>27,568,713</b>	<b>27,631,772</b>
<b>. Valuation and translation adjustments</b>		
1. Deferred hedge profit or loss	(74,946)	(103,172)
Total valuation and translation adjustments	(74,946)	(103,172)
<b>Total net assets</b>	<b>27,493,766</b>	<b>27,528,599</b>
<b>Total liabilities and net assets</b>	<b>59,248,077</b>	<b>59,499,886</b>

# Statements of cash flows (reference data)

	Amount (Thousands of yen)	
	8th Fiscal Period	7th Fiscal Period
	From Feb. 1, 2009	From Aug. 1, 2008
	to Jul. 31, 2009	to Jan. 31, 2009
<b>. Cash flows from operating activities</b>		
Income before income taxes	252,366	315,412
Depreciation and amortization	353,579	352,446
Amortization of long-term prepaid expenses	10,229	10,229
Interest income	(1,446)	(2,220)
Refund of unpaid distribution	(361)	-
Interest expenses	330,990	339,344
(Increase) decrease in accounts receivable—trade	(1,474)	(255)
(Increase) decrease in accounts receivable—long-term	(1,664)	(2,554)
(Increase) decrease in advances account	(62,900)	-
Increase (decrease) in accrued consumption taxes	(216)	(2,254)
Increase (decrease) in accounts payable	13,643	(305)
Increase (decrease) in accounts payable—other	(15,031)	(1,016)
Increase (decrease) in advances received	590	(964)
Increase (decrease) in unearned revenue	(12,118)	(7,262)
Other	(3,322)	133,554
Subtotal	862,863	1,134,155
Interest received	1,446	2,220
Interest paid	(339,718)	(347,929)
Income taxes paid	(2,116)	(1,774)
Net cash provided by operating activities	522,474	786,670

	Amount (Thousands of yen)	
	8th Fiscal Period	7th Fiscal Period
	From Feb. 1, 2009	From Aug. 1, 2008
	to Jul. 31, 2009	to Jan. 31, 2009
<b>. Cash flows from investing activities</b>		
Purchase of property, plant and equipment in trust	(45,489)	(35,235)
Purchase of other intangible assets	-	(545)
Proceeds from lease and guarantee deposits in trust	43,482	21,911
Payments for lease and guarantee deposits in trust	(54,597)	(39,078)
Payments for acquisition of other investments	(3,485)	(3,485)
Net cash used in investing activities	(60,090)	(56,433)
<b>. Cash flows from financing activities</b>		
Increase in proceed from short-term borrowings	22,822,000	6,800,000
Repayment of short-term borrowings	(22,975,000)	(7,272,521)
Cash distributions paid	(313,667)	(493,700)
Net cash provided by financing activities	(466,667)	(966,221)
<b>. Net increase or (decrease) in cash and cash equivalents</b>	(4,283)	(235,985)
<b>. Cash and cash equivalents at beginning of period</b>	2,476,934	2,712,919
<b>. Cash and cash equivalents at end of period</b>	2,472,650	2,476,934

# List of outstanding balance of borrowings

As of July 31, 2009

	Lender	Outstanding balance (thousands of yen)	Interest rate (per annum)	Drawdown date	Repayment date	Remarks
Short-term borrowings	The Chuo Mitsui Trust and Banking Company, Limited Aozora Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. Resona Bank, Ltd.	10,562,000	1.82818% (From Aug. 1, 2009 to Aug. 31, 2009)	Jul. 15, 2009	Oct. 30, 2009	Secured
	The MusashinoBank, Ltd.	520,000	2.06000% (From Aug. 1, 2009 to Oct. 30, 2009)	Oct. 31, 2008	Oct. 30, 2009	Secured
	Aozora Bank, Ltd.	6,130,000	2.32818% (From Aug. 1, 2009 to Aug. 31, 2009)	Jul. 15, 2009	Oct. 30, 2009	Secured
Long-term borrowings due within one year	General Electric Company	7,400,000	1.26438% (Note1) (From Aug. 1, 2009 to Oct. 30, 2009)	Mar. 29, 2007	Mar. 31, 2010	Secured
		6,200,000	1.26438% (Note1) (From Aug. 1, 2009 to Oct. 30, 2009)	Apr. 27, 2007		
Total balance of borrowings		30,812,000				

(Note1) The interest rate swap transaction was entered into for ¥10.1 billion, a portion of the ¥13.6 billion in borrowings. Consequently, interest rates will be set at 2.335% on ¥3.5 billion from November 1, 2007 to March 31, 2010, at 2.095% on ¥4.5 billion from February 1, 2008 to March 31, 2010, and at 2.085% on ¥2.1 billion from February 1, 2008 to March 31, 2010. In addition, an interest rate cap was purchased on ¥3.5 billion, for the period from November 1, 2007, to March 31, 2010.

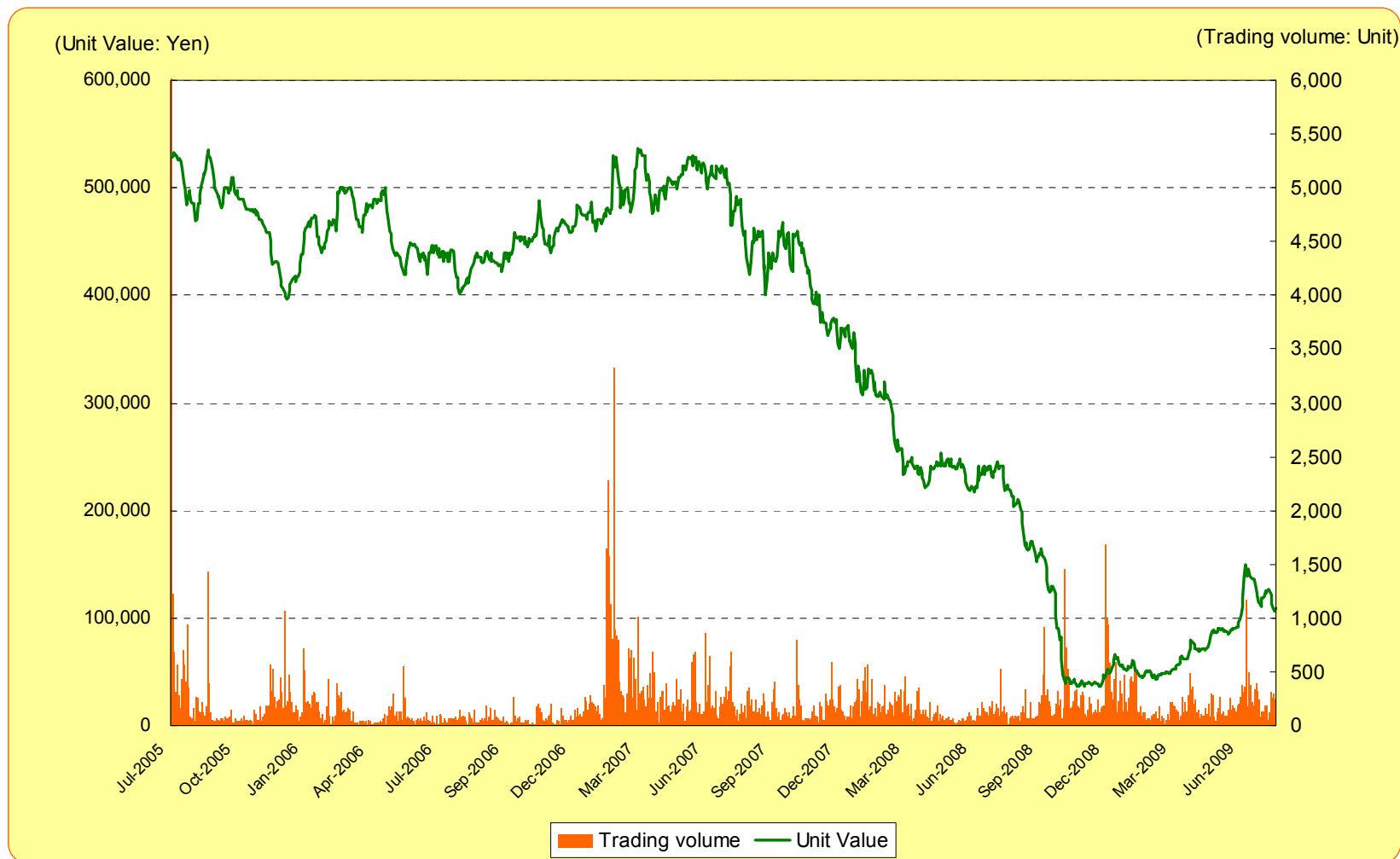
## 5. Position of investment units

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# Investments Unit

## Transition of unit value and trading volume



(Note) Closing price base from July 13, 2005 to July 31, 2009

# Unitholders at end of 8th fiscal period

## Major unitholders at end of 8th fiscal period

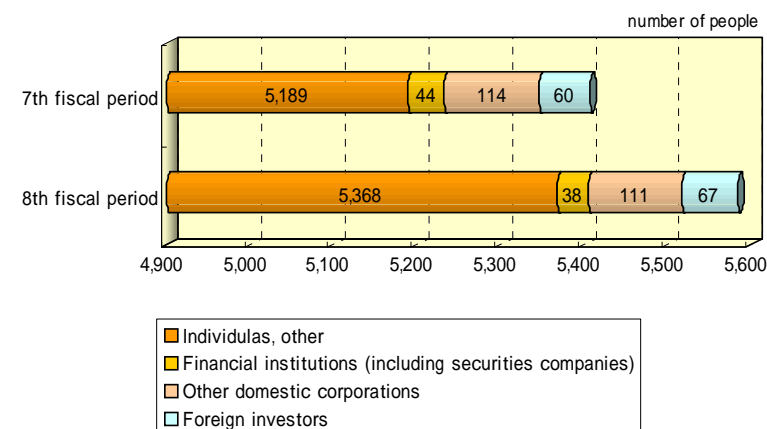
(As of July 31, 2009)

Name	Number of units held (units)	Ratio of number of units held to units issued and outstanding (%)
Prospect Japan Fund Limited	4,976	8.86%
Nikko Citi Trust and Banking Corporation (investment account)	4,476	7.97%
State Street Bank and Trust Company 506155	3,408	6.07%
Anglo Irish Bank Corporation (International) Prospect Epicure J-REIT Value Fund	2,799	4.98%
Goldman Sachs International	2,795	4.98%
State Street Bank and Trust Company 505041	2,171	3.86%
BBH for Oppenheimer Quest International Value Fund, Inc.	1,905	3.39%
The Okinawa Kaiho Bank, Ltd.	1,825	3.25%
Japan Trustee Services Bank, Ltd. (Trust Account)	1,637	2.91%
Minami Nippon Bank, Ltd.	1,571	2.79%
<b>Total</b>	<b>27,563</b>	<b>49.12%</b>

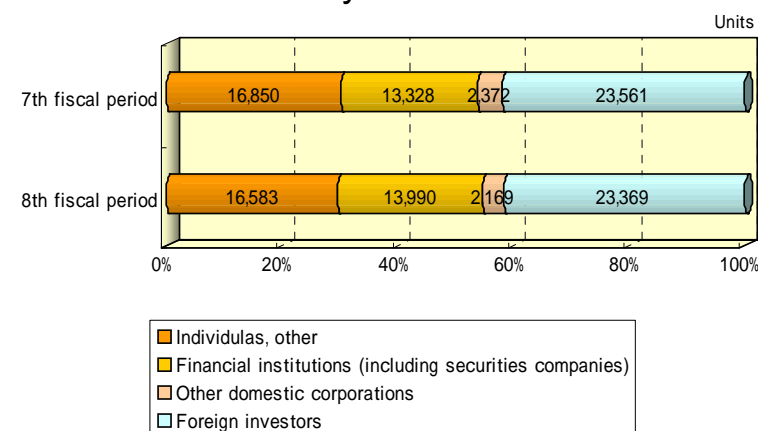
(Note) Percentages shown for the share of units held are rounded to the nearest two decimal places.

## Unitholder composition

### Number of unitholders by owner



### Number of units held by owner

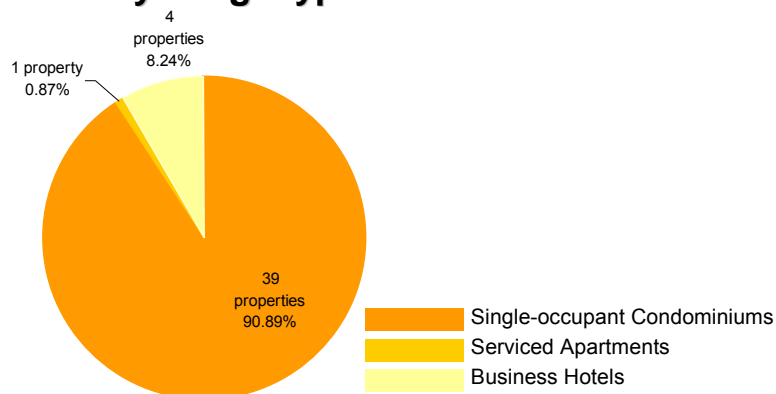


## 6. Reference material

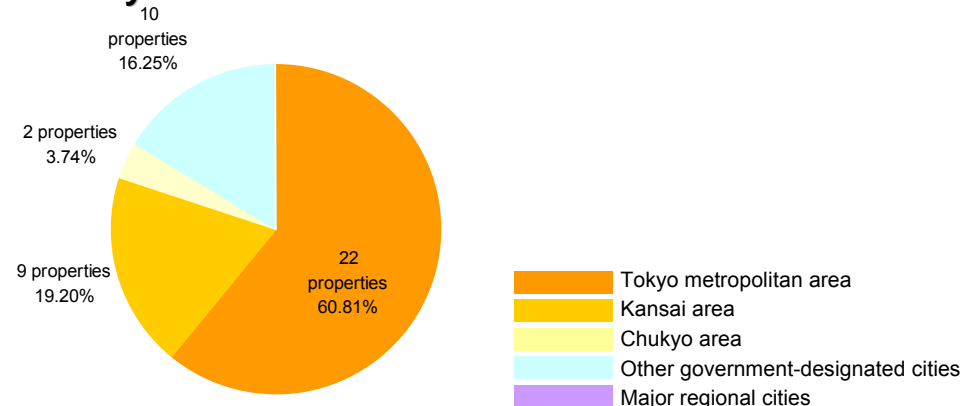
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# Portfolio details

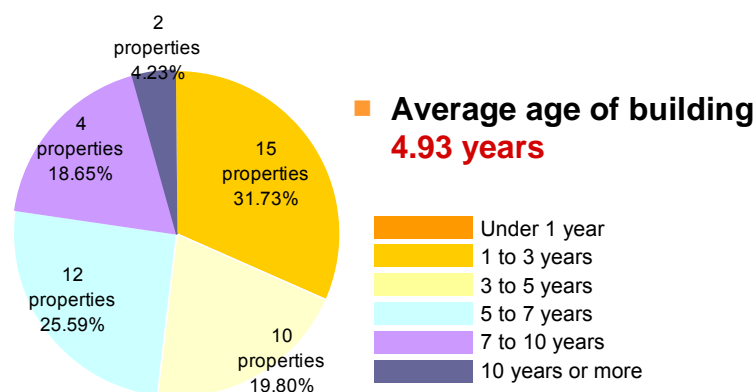
## 1. Ratio by usage type



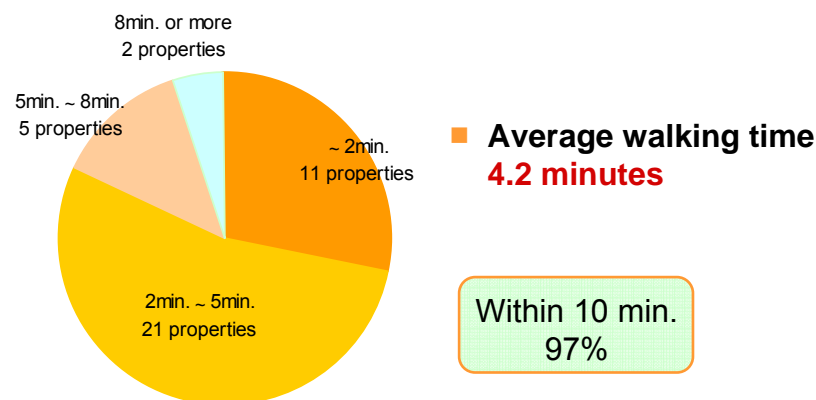
## 2. Ratio by area



## 3. Ratio by age of building



## 4. Walking time from/to nearest station



## 5. Portfolio PML

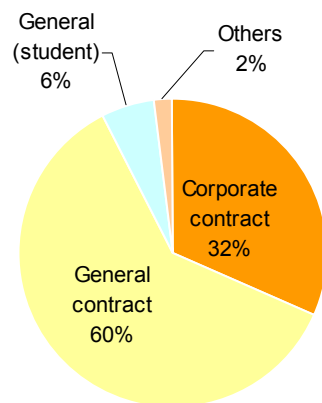
**4.14**

- (Note 1) The calculation of ratio of the above chart is based on acquisition value.  
 (Note 2) The age of building is the term between the time of construction appearing in the building registry and end of the fiscal period.  
 (Note 3) The average age of building is the weighted average number of years based on the acquisition value.  
 (Note 4) The probable maximum loss rate (earthquake PML) related to portfolio properties of Japan Single-residence REIT was updated to reflect adjustments in the earthquake PML evaluation system used to analyze earthquake risk made by a survey company in October 2007.  
 (Note 5) 1 property contains both a single-occupant condominium (SM) component and a serviced apartment (SA) component.  
 (Note 6) Average walking time is average time of 39 single-occupant condominiums.

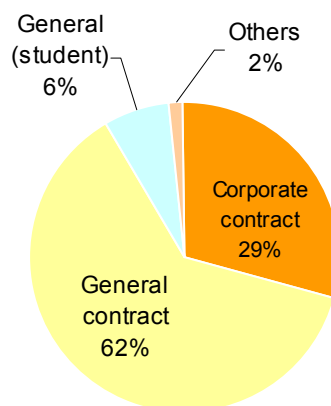
# Tenant affiliation

1. By type of contract

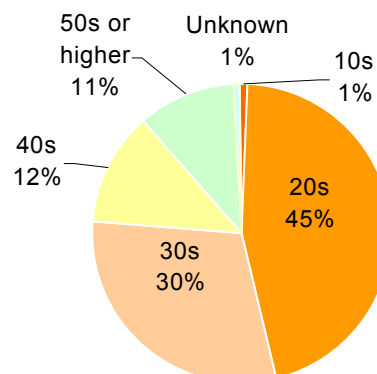
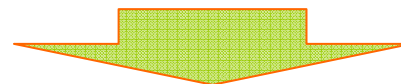
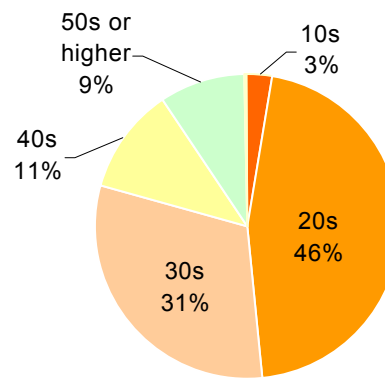
◆ 7th fiscal period



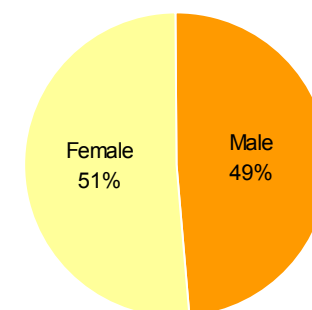
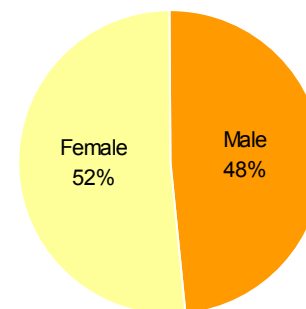
◆ 8th fiscal period



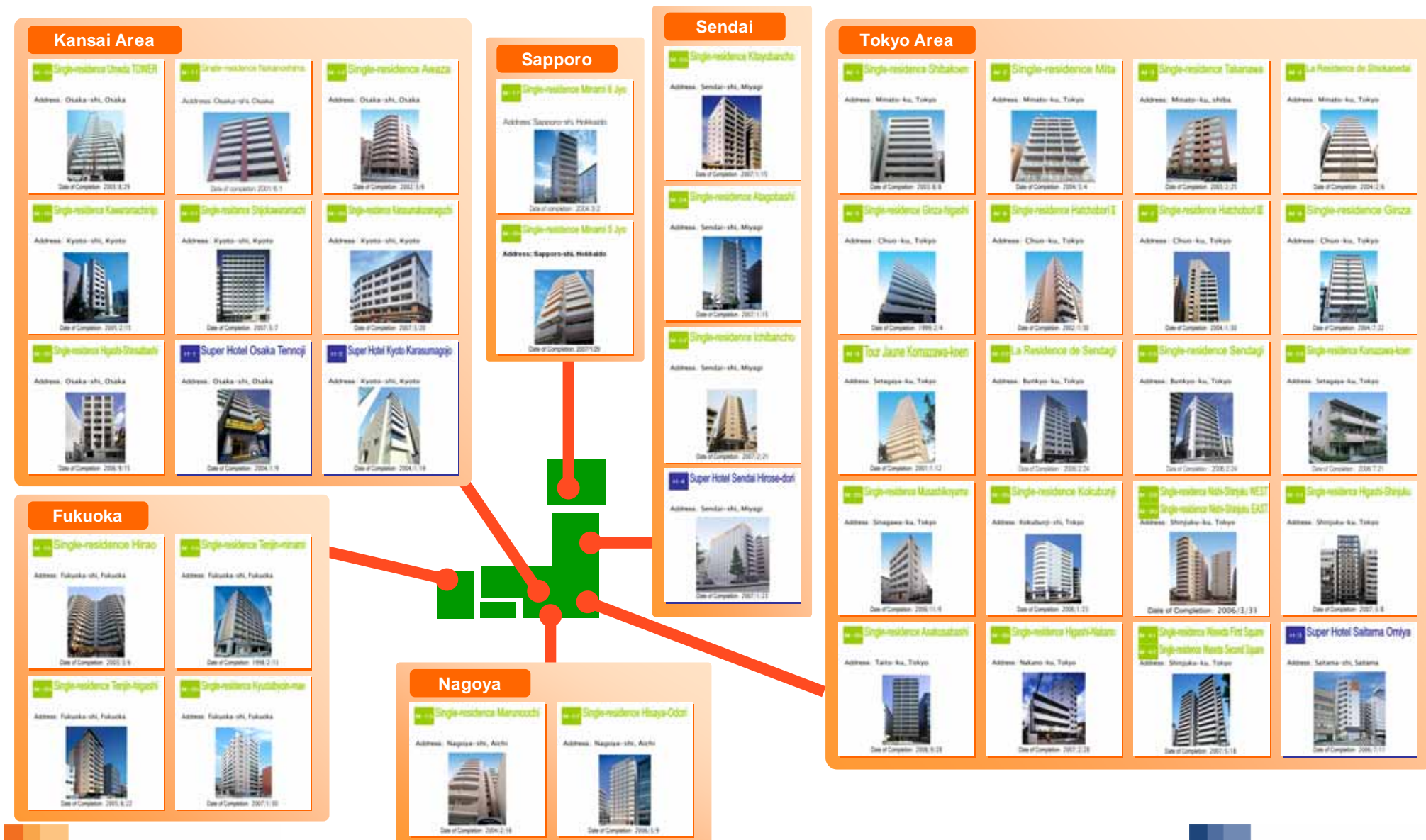
2. General contracts by age group



3. General contracts by gender



# Portfolio map



# Single-residence brand

- ◆ Standardizing the names of properties held in the portfolio to “Single-residence”  
(36 of 39 properties held in the portfolio are Single-residence brand)
- ◆ Providing comfortable living space with keywords “Health” and “Security”

Single-residence

=

Health

×

Security

## Single-residence Medical Support 24

- Health care and medical treatment consulting service by telephone available free of charge 24 hours a day
- Monthly health news bulletins posted by Medical Support 24 in all single-occupant condominiums



## Enhanced Security Facilities

- Providing high security properties to obtain a high level of satisfaction in the daily lives of tenants

Security monitor



Intercom systems with monitors (camera)



Dimple key



Security camera



Sash with dial lock key



Double cylinder





# Portfolio (properties held at end of 8th fiscal period)(1)

Property	Usage (Note 1)	Property name	Location	Date of completion	Number of rentable units (units)	Total rentable area (㎡)	Occupancy rates at end of fiscal period (%) (Note 2)	Acquisition value (millions of yen)	Book value at end of 8th fiscal period (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value at end of 8th fiscal period (millions of yen)	Appraisal value at end of 8th fiscal period - book value (millions of yen)
M-1	SM	Single-residence Shiba-koen	Tokyo	Aug. 2003	30	1,008.32	100.00%	954.0	938.4	1.69%	862.0	-76.4
M-2	SM	Single-residence Mita	Tokyo	Mar. 2004	47	1,436.83	100.00%	1,250.0	1,226.4	2.21%	1,160.0	-66.4
M-3	SM	Single-residence Takanawa	Tokyo	Feb. 2003	29	1,131.66	78.98%	900.0	889.3	1.59%	764.0	-125.3
M-4	SM	La Residence de Shirokanedai	Tokyo	Feb. 2004	28	1,089.98	85.84%	947.0	947.7	1.67%	834.0	-113.7
M-5	SM	Single-residence Ginza Higashi	Tokyo	Feb. 1999	74	2,072.39	84.86%	1,613.0	1,599.9	2.85%	1,500.0	-99.9
M-6	SM	Single-residence Hatchobori	Tokyo	Jan. 2002	84	2,750.56	86.62%	2,170.0	2,150.4	3.83%	1,950.0	-200.4
M-7	SM	Single-residence Hatchobori	Tokyo	Jan. 2004	37	1,447.33	89.03%	1,010.0	986.3	1.78%	803.0	-183.3
M-8	SM	Single-residence Ginza	Tokyo	Jul. 2004	45	1,118.84	97.87%	1,127.0	1,094.8	1.99%	1,030.0	-64.8
M-9	SM	TOUR JAUNE Komazawa-koen	Tokyo	Jan. 2001	287	8,141.02	82.12%	7,072.2	7,088.2	12.50%	6,630.0	-458.2
M-10	SM/SA	Single-residence Umeda TOWER	Osaka	Aug. 2003	147	4,469.53	73.75%	2,850.0	2,736.9	5.04%	2,040.0	-696.9
M-11	SM	Single-residence Nakanoshima	Osaka	Jun. 2001	38	1,242.30	54.87%	645.0	638.4	1.14%	481.0	-157.4
M-12	SM	Single-residence Awaza	Osaka	Mar. 2002	63	1,618.38	93.75%	664.8	646.5	1.17%	607.0	-39.5
M-13	SM	Single-residence Marunouchi	Nagoya	Feb. 2004	72	1,981.26	91.64%	695.0	681.5	1.23%	668.0	-13.5
M-15	SM	Single-residence Hirao	Fukuoka	Mar. 2003	200	6,262.12	89.16%	2,300.0	2,235.4	4.06%	1,720.0	-515.4
M-16	SM	Single-residence Kawaramachi Nijo	Kyoto	Feb. 2005	50	1,155.03	90.05%	639.0	626.3	1.13%	564.0	-62.3
M-17	SM	Single-residence Minami 6 Jyo	Sapporo	Mar. 2004	29	1,240.93	92.96%	295.0	288.0	0.52%	243.0	-45.0
M-19	SM	Single-residence Tenjin minami	Fukuoka	Feb. 1998	91	2,321.28	83.87%	782.0	784.7	1.38%	691.0	-93.7
M-20	SM	Single-residence Tenjin Higashi	Fukuoka	Aub. 2005	77	1,909.60	68.83%	642.9	622.0	1.14%	471.0	-151.0
M-21	SM	Single-residence Shijyo Kawaramachi	Kyoto	Mar. 2007	131	4,045.94	97.49%	2,500.4	2,544.1	4.42%	2,110.0	-434.1
M-22	SM	La Residence de Sendagi	Tokyo	Feb. 2006	50	1,109.97	97.90%	951.0	956.1	1.68%	851.0	-105.1
M-23	SM	Single-residence Sendagi	Tokyo	Feb. 2006	49	1,340.12	94.33%	1,049.0	1,052.2	1.85%	938.0	-114.2
M-24	SM	Single-residence Komazawa-koen	Tokyo	Jul. 2006	36	901.88	86.11%	708.5	732.1	1.25%	656.0	-76.1
M-25	SM	Single-residence Musashikoyama	Tokyo	Nov. 2006	52	1,121.88	100.00%	930.8	974.3	1.64%	871.0	-103.3
M-26	SM	Single-residence Kokubunji	Tokyo	Jan. 2006	47	1,222.45	94.65%	1,043.8	1,047.1	1.84%	892.0	-155.1
M-27	SM	Single-residence Hisayaodori	Nagoya	Mar. 2006	98	2,757.33	89.19%	1,420.0	1,412.6	2.51%	1,210.0	-202.6
M-28	SM	Single-residence Karasuma Kuramaguchi	Kyoto	Mar. 2007	41	1,297.62	100.00%	685.0	705.7	1.21%	623.0	-82.7
M-29	SM	Single-residence Nishishinjuku WEST	Tokyo	Mar. 2006	77	2,608.43	95.91%	2,291.1	2,307.4	4.05%	1,940.0	-367.4
M-30	SM	Single-residence Nishishinjuku EAST	Tokyo	Mar. 2006	48	1,563.60	95.18%	1,341.5	1,354.9	2.37%	1,140.0	-214.9



## Portfolio (properties held at end of 8th fiscal period)(2)

Property	Usage (Note 1)	Property name	Location	Date of completion	Number of rentable units (units)	Total rentable area (㎡)	Occupancy rates at end of fiscal period (%) (Note 2)	Acquisition value (millions of yen)	Book value at end of 8th fiscal period (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value at end of 8th fiscal period (millions of yen)	Appraisal value at end of 8th fiscal period - book value (millions of yen)
M-31	SM	Single-residence Higashishinjuku	Tokyo	Mar. 2007	68	1,788.84	89.02%	1,560.0	1,564.9	2.76%	1,410.0	-154.9
M-32	SM	Single-residence Higashishinsaibashi	Osaka	Sep. 2006	38	1,185.52	78.09%	730.0	737.1	1.29%	654.0	-83.1
M-33	SM	Single-residence Kitayobancho	Sendai	Jan. 2007	90	2,234.20	98.89%	954.0	958.1	1.69%	862.0	-96.1
M-34	SM	Single-residence Atagobashi	Sendai	Jan. 2007	79	1,964.87	83.03%	815.0	817.3	1.44%	739.0	-78.3
M-35	SM	Single-residence Kyudaibyoin-mae	Fukuoka	Jan. 2007	47	1,525.09	94.23%	530.0	553.1	0.94%	463.0	-90.1
M-36	SM	Single-residence Asakusabashi	Tokyo	Sep. 2006	39	1,209.78	82.05%	940.0	947.2	1.66%	819.0	-128.2
M-37	SM	Single-residence Ichibancho	Sendai	Feb. 2007	78	2,106.38	86.97%	993.0	997.3	1.75%	891.0	-106.3
M-38	SM	Single-residence Higashinakano	Tokyo	Feb. 2007	49	1,341.66	86.31%	1,142.8	1,155.4	2.02%	1,000.0	-155.4
M-39	SM	Single-residence Minami 5 Jyo	Sapporo	Jan. 2007	50	1,458.00	100.00%	494.8	522.2	0.87%	428.0	-94.2
M-41	SM	Single-residence Waseda First-Square	Tokyo	May 2007	121	2,964.81	94.10%	3,018.3	3,048.4	5.33%	2,470.0	-578.4
M-42	SM	Single-residence Waseda Second-Square	Tokyo	May 2007	51	1,223.79	89.33%	1,274.5	1,297.3	2.25%	1,030.0	-267.3
Subtotal					2,767	79,369.52		51,930.6	51,868.2	91.76%	45,015.0	-6,850.9
H-1	BH	Super Hotel Osaka Tennoji	Osaka	Jan. 2004	124	2,486.39	100.00%	1,173.0	1,151.8	2.07%	1,150.0	-1.8
H-2	BH	Super Hotel Kyoto Karasumagojyo	Kyoto	Jan. 2004	108	2,144.02	100.00%	978.0	960.7	1.73%	969.0	8.3
H-3	BH	Super Hotel Saitama Omiya	Saitama	Jul. 2006	157	2,946.55	100.00%	1,120.0	1,107.2	1.98%	1,040.0	-67.2
H-4	BH	Super Hotel Sendai Hirose-dori	Sendai	Jan. 2007	180	3,283.95	100.00%	1,390.0	1,375.2	2.46%	1,290.0	-85.2
Subtotal					569	10,860.91	100.00%	4,661.0	4,594.9	8.24%	4,449.0	-145.9
Total					3,336	90,230.43	89.67%	56,591.6	56,463.1	100.00%	49,464.0	-6,996.8

(Note 1) In the "Usage" column, "SM" refers to single-occupant condominiums, "SA" refers to serviced apartments, and "BH" refers to business hotels.

(Note 2) "Occupancy rates at end of fiscal period" is as of July 31, 2009. The value is the percentage of the rent area to the total rentable area of the real estate property in trust.  
The percentage value is rounded to the nearest hundredth (two decimal places).

(Note 3) Property M-10, Single-residence UMEDA TOWER, contains both a single-occupant condominium (SM) component and a serviced apartment (SA) component.  
The values shown in the table above include the serviced apartment (SA) component.

(Note 4) "Investment ratio" shows percentage of the acquisition value to the total acquisition value.

# NOI yield by property, area and asset type at end of 8th fiscal period (1)

Property Number	Usage (Note 1)	Area (Note 2)	Property Name	Date of acquisition	Acquisition value (thousands of yen)	As of July 31, 2009									
						Book value at end of period (thousands of yen)	Real estate rent operating revenue	Real estate expenses related to rent business	Depreciation and amortization (thousands of yen)	NOI (results)	NOI yields (to acquisition value)	NOI yield (to book value)	Income after depreciation	Yield after depreciation (to acquisition value)	Yield after depreciation (to book value)
M-1	SM	Tokyo Area	Single-residence Shiba-koen	2005/7/15	954,000	938,475	28,462	9,026	5,019	24,455	5.1%	5.2%	19,436	4.1%	4.1%
M-2	SM	Tokyo Area	Single-residence Mita	2005/7/15	1,250,000	1,226,424	36,700	12,400	7,052	31,352	5.0%	5.1%	24,299	3.9%	4.0%
M-3	SM	Tokyo Area	Single-residence Takanawa	2005/7/13	900,000	889,309	23,539	11,407	5,522	17,654	3.9%	4.0%	12,132	2.7%	2.7%
M-4	SM	Tokyo Area	La Residence de Shirokanedai	2005/7/15	947,000	947,785	21,344	8,850	4,027	16,522	3.5%	3.5%	12,494	2.6%	2.6%
M-5	SM	Tokyo Area	Single-residence Ginzahigashi	2005/7/15	1,613,000	1,599,960	47,590	18,684	8,456	37,362	4.6%	4.7%	28,906	3.6%	3.6%
M-6	SM	Tokyo Area	Single-residence Hatchobori	2005/7/13	2,170,000	2,150,439	65,526	29,447	14,673	50,751	4.7%	4.7%	36,078	3.3%	3.4%
M-7	SM	Tokyo Area	Single-residence Hatchobori	2005/7/15	1,010,000	986,387	27,380	16,344	8,907	19,943	3.9%	4.0%	11,035	2.2%	2.2%
M-8	SM	Tokyo Area	Single-residence Ginza	2005/7/13	1,127,000	1,094,896	32,015	18,550	8,928	22,393	4.0%	4.1%	13,464	2.4%	2.5%
M-9	SM	Tokyo Area	TOUR JAUNE Komazawa-koen	2005/7/15	7,072,200	7,088,289	214,745	78,700	25,367	161,412	4.6%	4.6%	136,045	3.8%	3.8%
M-10	SM	Kansai Area	Single-residence Umeda TOWER	2005/7/15	2,850,000	2,736,982	88,662	56,198	31,977	64,440	4.5%	4.7%	32,463	2.3%	2.4%
M-11	SM	Kansai Area	Single-residence Nakanoshima	2005/7/13	645,000	638,471	18,992	11,445	5,136	12,683	3.9%	4.0%	7,547	2.3%	2.4%
M-12	SM	Kansai Area	Single-residence Awaza	2005/7/13	664,800	646,517	25,851	12,900	6,678	19,630	5.9%	6.1%	12,951	3.9%	4.0%
M-13	SM	Chukyo Area	Single-residence Marunouchi	2005/7/13	695,000	681,572	29,638	14,578	7,808	22,867	6.6%	6.7%	15,059	4.3%	4.4%
M-15	SM	Government-designated cities	Single-residence Hirao	2005/7/13	2,300,000	2,235,497	81,073	41,583	21,127	60,617	5.3%	5.4%	39,489	3.4%	3.5%
M-16	SM	Kansai Area	Single-residence Kawaramachi Nijo	2005/9/28	639,000	626,327	21,458	10,520	4,283	15,222	4.8%	4.9%	10,938	3.4%	3.5%
M-17	SM	Government-designated cities	Single-residence Minami 6 Jyo	2005/9/28	295,000	288,070	11,951	7,128	3,607	8,430	5.7%	5.9%	4,823	3.3%	3.3%
M-19	SM	Government-designated cities	Single-residence Tenjin minami	2005/9/28	782,000	784,704	30,419	12,516	4,296	22,198	5.7%	5.7%	17,902	4.6%	4.6%
M-20	SM	Government-designated cities	Single-residence Tenjinhigashi	2005/9/28	642,912	622,034	22,999	14,604	7,807	16,202	5.0%	5.2%	8,395	2.6%	2.7%
M-21	SM	Kansai Area	Single-residence Shijyo Kawaramachi	2007/4/27	2,500,400	2,544,102	86,221	38,691	16,285	63,814	5.1%	5.0%	47,529	3.8%	3.7%
M-22	SM	Tokyo Area	La Residence de Sendagi	2006/4/17	951,000	956,145	28,887	9,382	4,239	23,745	5.0%	5.0%	19,505	4.1%	4.1%
M-23	SM	Tokyo Area	Single-residence Sendagi	2006/4/17	1,049,000	1,052,280	31,860	10,455	5,077	26,483	5.0%	5.0%	21,405	4.1%	4.1%
M-24	SM	Tokyo Area	Single-residence Komazawa-koen	2006/9/29	708,550	732,191	21,860	9,252	3,762	16,371	4.6%	4.5%	12,608	3.6%	3.4%
M-25	SM	Tokyo Area	Single-residence Musashikoyama	2007/2/28	930,832	974,300	31,279	11,567	4,099	23,811	5.1%	4.9%	19,712	4.2%	4.0%
M-26	SM	Tokyo Area	Single-residence Kokubunji	2006/9/29	1,043,800	1,047,148	31,703	11,199	4,938	25,442	4.9%	4.9%	20,503	3.9%	3.9%
M-27	SM	Chukyo Area	Single-residence Hisayaodori	2006/10/31	1,420,000	1,412,649	47,248	19,020	8,304	36,532	5.1%	5.2%	28,227	4.0%	4.0%
M-28	SM	Kansai Area	Single-residence Karasuma Kuramaguchi	2007/4/27	685,000	705,783	27,776	12,044	4,209	19,941	5.8%	5.7%	15,731	4.6%	4.5%
M-29	SM	Tokyo Area	Single-residence Nishishinjuku WEST	2007/2/28	2,291,100	2,307,466	66,210	19,673	8,179	54,717	4.8%	4.7%	46,537	4.1%	4.0%
M-30	SM	Tokyo Area	Single-residence Nishishinjuku EAST	2007/2/28	1,341,500	1,354,909	39,950	11,545	5,156	33,561	5.0%	5.0%	28,404	4.2%	4.2%
M-31	SM	Tokyo Area	Single-residence Higashishinjuku	2007/3/30	1,560,000	1,564,987	48,260	19,098	7,852	37,014	4.7%	4.7%	29,161	3.7%	3.7%
M-32	SM	Kansai Area	Single-residence Higashishinsaibashi	2007/2/23	730,000	737,136	22,561	8,897	3,544	17,207	4.7%	4.7%	13,663	3.7%	3.7%
M-33	SM	Government-designated cities	Single-residence Kitayobancho	2007/3/29	954,000	958,158	38,952	17,600	7,642	28,994	6.1%	6.1%	21,351	4.5%	4.5%
M-34	SM	Government-designated cities	Single-residence Atagobashi	2007/2/23	815,000	817,354	30,177	14,913	7,596	22,861	5.6%	5.6%	15,264	3.7%	3.7%
M-35	SM	Government-designated cities	Single-residence Kyudaiyoin-mae	2007/4/27	530,000	553,169	21,375	10,332	4,817	15,860	6.0%	5.7%	11,042	4.2%	4.0%
M-36	SM	Tokyo Area	Single-residence Asakusabashi	2007/3/29	940,000	947,298	25,974	9,725	4,226	20,475	4.4%	4.3%	16,249	3.5%	3.4%
M-37	SM	Government-designated cities	Single-residence Ichibancho	2007/3/29	993,000	997,312	36,380	15,803	6,968	27,544	5.5%	5.5%	20,576	4.1%	4.1%
M-38	SM	Tokyo Area	Single-residence Higashinakano	2007/5/31	1,142,857	1,155,499	34,231	13,448	5,082	25,866	4.5%	4.5%	20,783	3.6%	3.6%
M-39	SM	Government-designated cities	Single-residence Minami 5 Jyo	2007/7/30	494,810	522,238	17,665	7,872	4,358	14,151	5.7%	5.4%	9,793	4.0%	3.8%
M-41	SM	Tokyo Area	Single-residence Waseda First-Square	2008/1/17	3,018,350	3,048,434	79,586	24,741	11,758	66,604	4.4%	4.4%	54,845	3.6%	3.6%
M-42	SM	Tokyo Area	Single-residence Waseda Second-Square	2008/1/17	1,274,500	1,297,370	30,980	11,130	4,946	24,796	3.9%	3.8%	19,850	3.1%	3.1%
Subtotal					51,930,611	51,868,066	1,627,479	691,267	313,707	1,249,922	4.8%	4.8%	936,194	3.6%	3.6%

# NOI yield by property, area and asset type at end of 8th fiscal period (2)

## NOI yield by property

Property Number	Usage (Note 1)	Area (Note 2)	Property Name	Date of acquisition	Acquisition value (thousands of yen)	As of July 31, 2009									
						Book value at end of period (thousands of yen)	Real estate rent operating revenue	Real estate expenses related to rent business	Depreciation and amortization (thousands of yen)	NOI (results)	NOI yields (to acquisition value)	NOI yield (to book value)	Income after depreciation	Yield after depreciation (to acquisition value)	Yield after depreciation (to book value)
H-1	BH	Kansai Area	Super Hotel Osaka Tennoji	2005/7/13	1,173,000	1,151,829	37,620	13,575	9,006	33,050	5.6%	5.7%	24,044	4.1%	4.2%
H-2	BH	Kansai Area	Super Hotel Kyoto Karasumagojiyo	2005/7/13	978,000	960,738	31,182	11,473	7,555	27,263	5.6%	5.7%	19,708	4.0%	4.1%
H-3	BH	Tokyo Area	Super Hotel Saitama Omiya	2006/10/31	1,120,000	1,107,222	35,736	14,449	8,927	30,213	5.4%	5.5%	21,286	3.8%	3.8%
H-4	BH	Government-designated cities	Super Hotel Sendai Hirose-dori	2007/4/3	1,390,000	1,375,253	44,220	19,951	13,268	37,536	5.4%	5.5%	24,268	3.5%	3.5%
Subtotal					4,661,000	4,595,042	148,758	59,448	38,756	128,062	5.5%	5.6%	89,306	3.8%	3.9%
Total					56,591,611	56,463,127	1,776,256	750,735	352,485	1,378,005	4.9%	4.9%	1,025,520	3.6%	3.6%

## NOI yield by area

	Acquisition value (thousands of yen)	Book value at end of period (thousands of yen)	Real estate rent operating revenue	Real estate expenses related to rent business	Depreciation and amortization (thousands of yen)	NOI (results)	NOI yields (to acquisition value)	NOI yield (to book value)	Income after depreciation	Yield after depreciation (to acquisition value)	Yield after depreciation (to book value)
Tokyo Area	34,414,689	34,467,223	1,003,828	379,081	166,204	790,951	4.6%	4.6%	624,747	3.63%	3.6%
Chukyo Area	2,115,000	2,094,221	76,886	33,599	16,113	59,400	5.6%	5.7%	43,287	4.09%	4.1%
Kansai Area	10,865,200	10,747,889	360,326	175,748	88,677	273,254	5.0%	5.1%	184,577	3.40%	3.4%
Government-designated cities	9,196,722	9,153,793	335,214	162,307	81,490	254,398	5.5%	5.6%	172,907	3.76%	3.8%
Total	56,591,611	56,463,127	1,776,256	750,735	352,485	1,378,005	4.9%	4.9%	1,025,520	3.62%	3.6%

## NOI yield by asset type

	Acquisition value (thousands of yen)	Book value at end of period (thousands of yen)	Real estate rent operating revenue	Real estate expenses related to rent business	Depreciation and amortization (thousands of yen)	NOI (results)	NOI yields (to acquisition value)	NOI yield (to book value)	Income after depreciation	Yield after depreciation (to acquisition value)	Yield after depreciation (to book value)
SM	51,930,611	51,868,084	1,627,498	691,284	313,727	1,249,940	4.8%	4.8%	936,213	3.61%	3.6%
BH	4,661,000	4,595,043	148,758	59,451	38,757	128,064	5.5%	5.6%	89,306	3.83%	3.9%
Total	56,591,611	56,463,127	1,776,256	750,735	352,485	1,378,005	4.9%	4.9%	1,025,520	3.70%	3.7%

(Note 1) In the "Usage" column, "SM" refers to single-occupant condominiums, "SA" refers to serviced apartments, and "BH" refers to business hotels.

(Note 2) In the "Area" column, "Tokyo metropolitan area" refers to Tokyo, Kanagawa, Saitama and Chiba Prefectures. "Kansai area" stands for Osaka, Hyogo and Kyoto Prefectures. "Chukyo area" refers to Aichi Prefecture and "government-designated cities" refers to any other major cities designated by government ordinance.

(Note 3) In the "NOI results" column, the NOI (real estate rent operating revenue - real estate expenses related to rent business + depreciation and amortization) for the operating period in 8th fiscal period is shown.

(Note 4) In the "NOI yield (to acquisition value)" column, the annual rate conversion of the "acquisition value" to "8th fiscal period NOI results" is shown.

# Income and expense for each individual property at end of 8th fiscal period (1)

(Thousands of yen)

Property No.	M-1	M-2	M-3	M-4	M-5	M-6	M-7	M-8	M-9	M-10	M-11	M-12
Property Name	Single-residence Shibakoen	Single-residence Mita	Single-residence Takanawa	La Residence de Shirokanedai	Single-residence Ginzahigashi	Single-residence Hatchobori	Single-residence Hatchobori	Single-residence Ginza	Tour Jaune Komazawa-koen	Single-residence Umeda TOWER	Single-residence Nakanoshima	Single-residence Awaza
Calculating period from to	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009
Number of calculating days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days
Occupancy rates at end of fiscal period	100.00%	100.00%	78.98%	85.84%	84.86%	86.62%	89.03%	97.87%	82.12%	73.75%	54.87%	93.75%
A. Rent revenue - real estate	28,462	36,700	23,539	21,344	47,590	65,526	27,380	32,015	214,745	88,662	18,992	25,851
Rent and common service fees	28,356	36,552	22,679	20,763	46,061	62,115	25,170	30,798	203,419	86,132	18,008	25,040
Other revenue	106	148	859	581	1,528	3,410	2,209	1,216	11,326	2,529	983	810
B. Expenses related to rent business	4,006	5,348	5,885	4,822	10,227	14,774	7,436	9,622	53,333	24,221	6,308	6,221
Property management consignment	1,705	1,906	2,790	753	5,606	8,340	4,501	4,671	24,904	12,063	2,513	3,159
Utilities	-	2	-	-	554	792	-	573	3,911	1,935	406	-
Taxes and public dues	1,428	1,705	1,266	1,012	2,167	3,076	1,440	1,892	11,877	5,197	1,329	1,957
Repairs	102	840	1,134	562	994	1,652	733	1,609	6,454	2,949	976	453
Insurance	84	105	66	67	114	164	97	93	540	415	75	115
Other expenses	686	788	628	2,425	790	747	664	781	5,645	1,661	1,008	535
C. Net rent revenue (NOI = (A-B))	24,455	31,352	17,654	16,522	37,362	50,751	19,943	22,393	161,412	64,440	12,683	19,630
D. Depreciation and amortization	5,019	7,052	5,522	4,027	8,456	14,673	8,907	8,928	25,367	31,977	5,136	6,678
E. Rent business income = (C-D)	19,436	24,299	12,132	12,494	28,906	36,078	11,035	13,464	136,045	32,463	7,547	12,951

Property No.	M-13	M-15	M-16	M-17	M-19	M-20	M-21	M-22	M-23	M-24	M-25	M-26
Property Name	Single-residence Marunouchi	Single-residence Hirao	Single-residence Kawaramachi Nijo	Single-residence Minami 6 Jyo	Single-residence Tenjin minami	Single-residence Tenjinhigashi	Single-residence Shiyo Kawaramachi	La Residence de Sendagi	Single-residence Sendagi	Single-residence Komazawa-koen	Single-residence Musashikoyama	Single-residence Kokubunji
Calculating period from to	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009
Number of calculating days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days
Occupancy rates at end of fiscal period	91.64%	89.16%	90.05%	92.96%	83.87%	68.83%	97.49%	97.90%	94.33%	86.11%	100.00%	94.65%
A. Rent revenue - real estate	29,638	81,073	21,458	11,951	30,419	22,999	86,221	28,887	31,860	22,860	31,279	31,703
Rent and common service fees	27,930	76,377	18,811	11,373	28,727	21,474	70,711	28,431	31,048	20,702	27,940	31,045
Other revenue	1,707	4,695	2,647	577	1,691	1,525	15,510	456	811	1,158	3,338	657
B. Expenses related to rent business	6,770	20,455	6,236	3,520	8,220	6,796	22,406	5,142	5,377	5,489	7,467	6,260
Property management consignment	4,083	8,610	3,682	2,001	3,533	2,648	12,841	2,124	2,310	3,392	5,134	3,079
Utilities	-	1,858	-	-	1,256	671	2,191	-	-	331	274	287
Taxes and public dues	1,902	5,961	1,315	729	2,195	1,962	4,646	769	804	982	1,002	1,797
Repairs	152	2,589	329	225	545	656	464	344	331	40	175	267
Insurance	126	372	65	57	116	107	204	54	63	52	64	73
Other expenses	506	1,062	843	506	571	750	2,058	1,849	1,867	691	815	756
C. Net rent revenue (NOI = (A-B))	22,867	60,617	15,222	8,430	22,198	16,202	63,814	23,745	26,483	16,371	23,811	25,442
D. Depreciation and amortization	7,808	21,127	4,283	3,607	4,296	7,807	16,285	4,239	5,077	3,762	4,099	4,938
E. Rent business income = (C-D)	15,059	39,489	10,938	4,823	17,902	8,395	47,529	19,505	21,405	12,608	19,712	20,503

# Income and expense for each individual property at end of 8th fiscal period (2)

(Thousands of yen)

Property No.	M-27	M-28	M-29	M-30	M-31	M-32	M-33	M-34	M-35	M-36	M-37	M-38
Property Name	Single - residence Hisayaodori	Single - residence Karasuma Kuramauchi	Single - residence Nishishinjuku WEST	Single - residence Nishishinjuku EAST	Single - residence Higashishinjuku	Single - residence Higashishinsaibashi	Single - residence Kitayobancho	Single - residence Atagobashi	Single - residence Kyudaibyojin-mae	Single - residence Asakusabashi	Single - residence Ichibancho	Single - residence Higashinakano
Calculating period from to	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009
Number of calculating days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days
Occupancy rates at end of fiscal period	89.19%	100.00%	95.91%	95.18%	89.02%	78.09%	98.89%	83.03%	94.23%	82.05%	86.97%	86.31%
A . Rent revenue - real estate	47,248	27,776	66,210	39,950	48,260	22,561	38,952	30,177	21,375	25,974	36,380	34,231
Rent and common service fees	45,177	21,382	64,772	38,169	43,904	22,193	36,913	28,792	19,383	24,225	34,252	31,035
Other revenue	2,070	6,393	1,438	1,780	4,355	368	2,039	1,385	1,992	1,749	2,127	3,196
B . Expenses related to rent business	10,715	7,835	11,493	6,388	11,245	5,353	9,957	7,316	5,515	5,498	8,835	8,365
Property management consignment	5,340	5,089	6,841	3,959	8,266	2,509	5,903	3,526	2,308	3,788	4,535	3,785
Utilities	428	511	-	-	-	-	-	-	315	13	-	375
Taxes and public dues	3,080	1,292	1,878	845	1,561	1,435	2,686	2,493	1,397	671	2,846	830
Repairs	675	203	945	667	706	741	641	572	223	123	698	1,140
Insurance	146	57	145	89	104	58	121	118	75	72	110	73
Other expenses	1,044	680	1,682	826	606	609	606	606	1,195	829	644	2,159
C . Net rent revenue (NOI = (A-B))	36,532	19,941	54,717	33,561	37,014	17,207	28,994	22,861	15,860	20,475	27,544	25,866
D . Depreciation and amortization	8,304	4,209	8,179	5,156	7,852	3,544	7,642	7,596	4,817	4,226	6,968	5,082
E . Rent business income = (C-D)	28,227	15,731	46,537	28,404	29,161	13,663	21,351	15,264	11,042	16,249	20,576	20,783

Property No.	M-39	M-41	M-42	H-1	H-2	H-3	H-4
Property Name	Single - residence Minami 5 Jyo	Single - residence Waseda First-Square	Single - residence Waseda Second-Square	Super Hotel Osaka Tennoji	Super Hotel Kyoto Karasuma-gojo	Super Hotel Saitama Omiya	Super Hotel Sendai Hirose-dori
Calculating period from to	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009	February 1, 2009 July 31, 2009
Number of calculating days	181 days	181 days	181 days	181 days	181 days	181 days	181 days
Occupancy rates at end of fiscal period	100.00%	94.10%	89.33%	100.00%	100.00%	100.00%	100.00%
A . Rent revenue - real estate	17,665	79,586	30,980	37,620	31,182	35,736	44,220
Rent and common service fees	17,636	77,814	30,533	37,620	31,182	35,736	44,220
Other revenue	28	1,771	447	-	-	-	-
B . Expenses related to rent business	3,513	12,982	6,184	4,569	3,918	5,522	6,683
Property management consignment	642	7,928	3,116	-	-	-	-
Utilities	364	986	505	-	-	-	-
Taxes and public dues	1,553	1,052	446	3,893	3,262	4,796	5,933
Repairs	282	608	778	-	-	-	-
Insurance	65	186	76	125	105	126	149
Other expenses	606	2,220	1,261	550	550	600	600
C . Net rent revenue (NOI = (A-B))	14,151	66,604	24,796	33,050	27,263	30,213	37,536
D . Depreciation and amortization	4,358	11,758	4,946	9,006	7,555	8,927	13,268
E . Rent business income = (C-D)	9,793	54,845	19,850	24,044	19,708	21,286	24,268

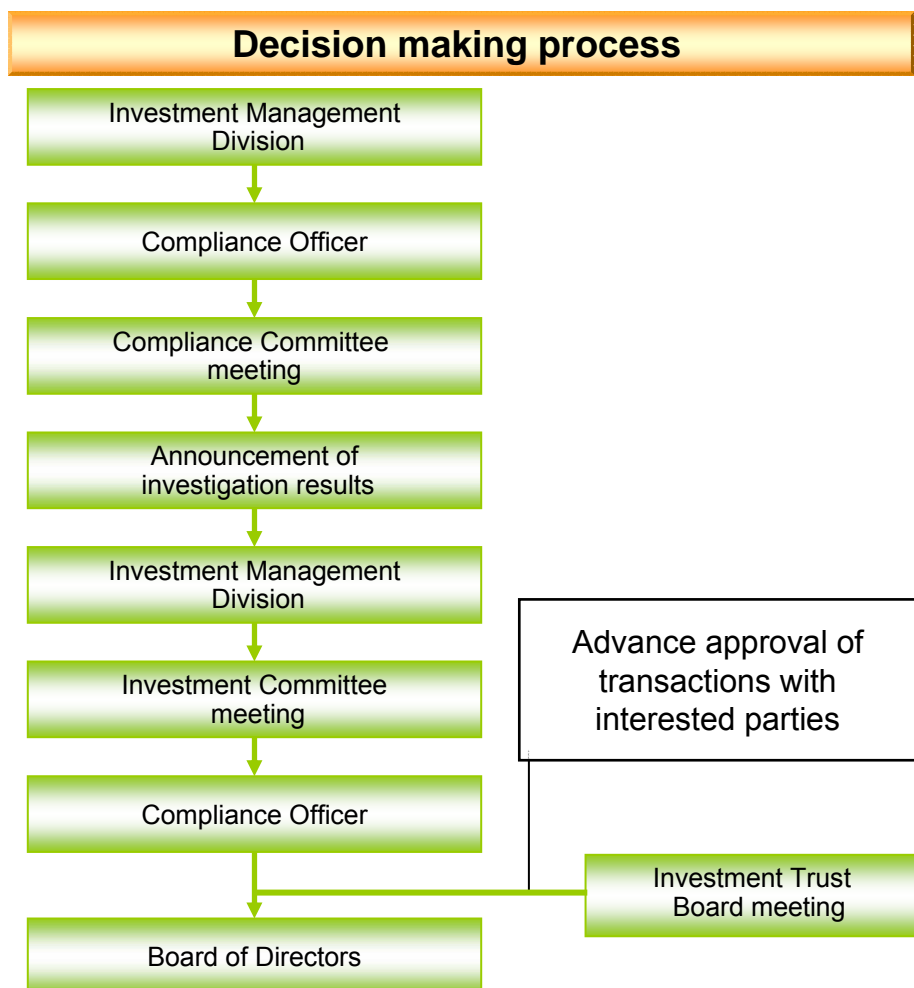
## Revenue of individual real estate properties in trust

The following shows the revenue of each real estate properties in trust.

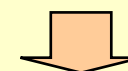
- (Note 1) Monetary amounts are rounded down to the nearest one thousand yen, therefore, adding all the amounts individually may not result in the total amounts provided.
- (Note 2) Monetary amounts do not include consumption taxes or other taxes.
- (Note 3) In the "Rent and common service fees" column, amounts include rent, management fees (common service fees), parking lot fees, waterworks, etc.
- (Note 4) In the "Other revenue" column, amounts include key money, renewal fees, restoration cost to the original condition etc.
- (Note 5) In principal, the duty to pay the fixed-property tax, city planning tax and amortized asset tax included in "Taxes and public dues" is imposed on all owners as of January 1 of every year. The amount of unexpired fixed-property tax for the previous owners at the time of acquisition is added to the amount of decrease in acquisition value for real estate as part of incidental costs and therefore not added to expenses related to rent business.
- (Note 6) In the "Other expenses" column, the amount shown is the total trust remunerations added to leases.
- (Note 7) "Occupancy rates at end of fiscal period" are the total rent area appearing in lease agreements executed with end tenants on the last day of each corresponding period against the total rentable area of each real estate property in trust. The percentage value is rounded to the nearest hundredth (two decimal places).

# Compliance system

## ◆ Strengthening of legal compliance system for management companies

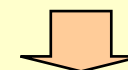


### Transactions with interested parties



Interested parties are strictly defined and any transaction with same where a conflict of interest exists is prohibited under Internal Regulations

### Formulation of internal system within management companies



Awareness towards compliance can be increased through periodic in-house training sessions along with the establishment of a code of conduct and office rules for all officers and regular employees within each of their regulations



# Vision of Japan Single-residence REIT

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Japan Single-residence REIT Inc. desires to realize

**“the creation of a genuine single-occupant residence market”  
and**

**“the creation of attractive, highly liquid investment  
opportunities”**

through its management of single-occupant residences.

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