FINANCIAL REPORT FOR THE TENTH FISCAL PERIOD September 14, 2010

(Ended July 2010 (Feburary 1, 2010, to July 31, 2010))

Name of REIT Issuer: Japan Single-residence REIT Inc.
Stock Listing: The Tokyo Stock Exchange (TSE)
Stock Code: 8970
URL: http://www.jsreit.co.jp/
Name of Asset Management Company: Japan Single-residence Asset Management Corp.
Representative: Akihiko Soga, Representative Director
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(In millions of yen with fractional amounts omitted)

1. Overview of results of operations and financing position in the 10th fiscal period

(February 1, 2010, to July 31, 2010)

(1) Results of Operations (Percentages indicate rate of change from previous fiscal period.)

(Millions of yen; %)

	Operating revenue		Operating income		Ordinary income		Net income	
Fiscal Period ended Jul. 31, 2010	¥1,780	0.8%	¥720	(0.2%)	(¥112)	—	(¥119)	—
Fiscal Period ended Jan. 31, 2010	¥1,766	(0.6%)	¥721	(5.0%)	¥237	(6.0%)	¥236	(6.1%)

	Net income per unit	Ratio of net income to unitholders' equity	Reference: annualized	Ratio of ordinary income to total assets	Reference: annualized	Ratio of ordinary income to operating revenue
Fiscal Period ended Jul. 31, 2010	(¥2,124)	(0.4%)	(0.9%)	(0.2%)	(0.4%)	(6.3%)
Fiscal Period ended Jan. 31, 2010	¥4,206	0.9%	1.7%	0.4%	0.8%	13.4%

(2) Cash Distribution

	Cash distribution per unit (non including cash distributions in excess of earnings) (Yen)	Total cash distributions (Million yen)	Cash distributions in excess of earnings per unit (Yen)	Total cash distributions in excess of earnings (Yen)	Payout ratio	Ratio of cash distribution to net assets
Fiscal Period ended Jul. 31, 2010	¥0	¥0	¥0	¥0	—	—
Fiscal Period ended Jan. 31, 2010	¥4,206	¥236	¥0	¥0	99.9%	0.9%

Note: The payout ratio is truncated to one decimal place.

(3) Financial Position

	Total assets (Million yen)	Net assets (Million Yen)	Unitholders' equity ratio	Net assets per unit (Yen)
Fiscal Period ended Jul. 31, 2010	¥58,700	¥27,198	46.3%	¥484,721
Fiscal Period ended Jan. 31, 2010	¥59,249	¥27,500	46.4%	¥490,100

Reference: Unitholders' equity
Fiscal year ended Jul. 31, 2010: ¥27,198million
Fiscal year ended Jan. 31, 2010: ¥27,500million

(4) Cash Flows(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal Period ended Jul. 31, 2009	¥255	(¥44)	(¥585)	¥2,491
Fiscal Period ended Jan. 31, 2010	¥724	(¥72)	(¥258)	¥2,866

2. Forecast for provisional fiscal period (ending September 2010) (August 1, 2010, to September 30, 2010)

(Percentages indicate rate of change from previous fiscal period.)

	Operating revenue (Million yen)	Operating income (Million yen)	Ordinary income (Million yen)	Net income (Million yen)	Cash distribution per unit (non including cash distributions in excess of earnings) (Yen)	Cash distributions in excess of earnings per unit
Provisional fiscal period (ending Sept. 2010)	¥579	¥181	(¥128)	(¥129)	¥0	¥0

Reference: Forecast for net loss per unit (provisional fiscal period ending Sept. 2010): 2,310yen
Forecasted number of weighted-average investment units: 56,111 units

Note: The above forecasted values are the currently valid forecasts that have been calculated based on assumptions set forth in the separate documentation. It is possible that a change in circumstances will result in the actual operating revenue, ordinary income, net income or cash distribution per unit being different from the forecasted values. In no way do above forecasts guarantee the cash distribution amounts.

3. Status of Operations

(1) Overview of the 10th Fiscal Period (February 1, 2010, to July 31, 2010)

(i) Significant Events of the Investment Corporation

Japan Single-residence REIT Inc. ("Japan Single-residence REIT") was established on February 16, 2005, as Japan's first investment corporation specializing in single-occupant residences (general term for single-occupant condominiums, serviced apartments, and business hotels) based on the Investment Trust and Investment Corporation Law (Law no. 198 of 1951, including subsequent amendments; hereinafter "Investment Trust Law." On July 13, 2005, it issued investment units and listed them on the Real Estate Investment Trust (REIT) section of the Tokyo Stock Exchange (stock code 8970). Responding to the ever-diversifying needs of single occupants — a growth market — with Japan Single-residence REIT's concept securing stable revenue and achieving medium- to long-term growth for its portfolio properties. It acquired 17 properties directly after listing, and over the course of five fiscal periods it additionally acquired in total 28 properties and sold 2 properties, 1 in each of the 3rd and 4th fiscal periods. (All the aforementioned assets acquired were trust beneficiary rights.) At the end of 10th fiscal period Japan Single-residence REIT owns 43 properties, comprised of 39 single-occupant condominiums, and 4 business hotels.

Investment Trust Board Meeting of Japan Single-residence REIT on June 21, 2010 approved a resolution to sign a merger agreement with CRESCENDO Investment Corporation ("CIC") and this agreement was signed the same day. One purpose of the merger is to eliminate financial problems at Japan Single-residence REIT, such as concerns about the rising cost of fund procurement and ability to obtain refinancing, and stabilize the financial position. The merger is also expected to increase assets, improve asset quality by restructuring the portfolio, increase liquidity of investment units and produce other benefits.

(ii) Results of Operations for the 10th Period (February 1, 2010, to July 31, 2010)

In the 10th fiscal period, Japan's economy began to establish a base for a self-sustainable recovery. Manufacturing shows signs of a recovery due to a rebound in external demand fueled by emerging economies and economic stimulus measures of the Japanese government. There were also signs of an upturn in consumer spending, jobs and other economic indicators. However, there are concerns about the possibility of a downturn in overseas economies and pressure on corporate earnings in Japan from the yen's strength and deflation. As a result, the overall economic situation in Japan has not yet reached the point that can be called an "economic recovery."

Japanese property market indicators like new housing starts and condominium sales have been treading water, but property transactions have been on the upswing since the second half of 2009, so there are signs of that the market is recovering.

There are also signs of improvement in the J-REIT market: companies have started buying properties again and raising fresh capital, and there have been a number of mergers between companies in the industry.

Japan Single-residence REIT purchased no new properties in the tenth fiscal period just as in the previous fiscal period. Consequently, there was no change in assets. At the end of July 2010, there were 39 single-occupant condominiums (including one property with some serviced apartments) and 4 business hotels. The total acquisition value of these properties was 56,591 million yen and the total rentable area was 90,230.43 square meters.

The average occupancy rate of portfolio properties was 94.9% in the tenth fiscal period. As in the previous fiscal period, Japan Single-residence REIT adopted a flexible approach to determining rental rates for new tenants in order to attract tenants. In addition, leasing activities were strengthened by using promotions targeting letting agents. Due to these measures, the occupancy rate has remained stable.

Japan Single-residence REIT is concentrating on internal growth because there are no prospects for external growth. To achieve this growth, Japan Single-residence REIT continues to make substantial investments to preserve and increase the value of assets from a medium-term and long-term perspective. In the 10th fiscal period, measures were taken to preserve and increase the asset value of portfolio properties. For example, at Single-residence Hirao, the parking area was resurfaced with tile to make this building more attractive. Part of Japan Single-residence REIT's brand strategy is built around the keywords of "health" and "security." In order to provide occupants with a comfortable, worry-free living environment, Japan Single-residence REIT also made capital expenditures of 19 million yen to enhance security by installing additional security cameras and camera monitoring equipment as well as new flooring and heated toilet-bidet seats.

(iii) Overview of Financing

Japan Single-residence REIT obtained new loans in March and June 2010 that totaled 13,769 million yen to refinance loans that matured. In addition, as other borrowings reached maturity, agreements were reached with financial institutions to extend the maturity dates. There was a total of 350 million yen of partial repayments prior to maturity in association with the extension of maturities for some borrowings. As a result, borrowings at the end of July 2010 totaled 30,454million yen, which was 51.9% of total assets.

Due to the significant increase in the cost of borrowings in the 10th fiscal period, there was an increase of about 50% from the previous fiscal period in the total cost of fund procurement, which includes interest and borrowing expenses.

(iv) Performance and Cash Distribution Overview

In the 10th fiscal period, operating revenue increased 0.8% to 1,780 million yen, operating income decreased 0.2% to 720 million yen and there was an ordinary loss of 112 million yen and a net loss of 119 million yen. In this fiscal period, Japan Single-residence REIT decided to record as expenses the 65 million yen of expenses that were incurred during this fiscal period in association with the merger with CIC that was explained in "(i) Significant Events of the Investment Corporation."

Regarding cash distributions, Japan Single-residence REIT has a policy of distributing all unappropriated retained earnings in each fiscal period except fractions of less than one yen for distributions per unit. This is prescribed in Article 36 (Policy for Cash Distributions) of the Japan Single-residence REIT Articles of Incorporation. However, there is no cash distribution per unit for the 10th fiscal period because there was an unappropriated retained loss at the end of the period.

(2) Forecasts for the Next Fiscal Period

(i) Forecasts for Operations Overall

Although there are indications of a small rebound in the Japanese economy overall, much more time will probably be needed until the improvement can be called an "economic recovery." Japanese companies remain cautious about making new capital expenditures and increasing their workforces. Although signs of an upturn in consumer spending are emerging, consumers are still reluctant to increase their spending because the outlook remains uncertain.

Due to their reluctance to spend money, Japanese consumers are lowering their views of the suitable level of rent for apartments and other housing. At the same time, due partly to the migration of people to large cities, more growth is foreseen in the number of single households in the special wards of Tokyo and in government-designated cities. Consequently, demand for single-residence properties is expected to remain strong. In some areas of the special wards of Tokyo and the government-designated cities, the lifestyles of singles occupants are becoming increasingly diverse and there is rising need for conventional rental accommodation to be value enhanced, such as a growing demand for serviced apartments and fully-furnished residences. In response to this, there is a rising supply of rental accommodation for single occupants, but there is still inadequate supply of single-occupant condominiums that have high level of tenant satisfaction. Operating in this environment, Japan Single-residence REIT aims to further set its properties apart from the rest, particularly with respect to facilities, specifications and quality of property management. Its major priority is to invest in property that will maintain competitive appeal in the medium-to-long term.

(ii) Management Policy in the Future

(a) External Growth Strategies

Japan Single-residence REIT plans to use the merger with CIC to restructure its portfolio in order to improve the quality of portfolio assets. To make effective use of the "negative goodwill" that is expected to result from this merger, Japan Single-residence REIT will consider replacing portfolio assets based on real estate market conditions, the outlook for earnings, current portfolio composition and other factors.

(b) Internal Growth Strategies

Japan Single-residence REIT plans to leverage the databases and information networks that have been established by property management companies. This will allow quickly identifying changes in the market for rental properties and providing property management services that precisely target those needs. Japan Single-residence REIT believes that providing these services will allow maintaining and increasing the occupancy rates and the rental rates at portfolio properties. Additionally, in order to boost earning power, Japan Single-residence REIT is actively managing leasing to shorten the time between when a vacancy arises and when it secures a new tenant. Moreover, it is improving occupancy by becoming more flexible in setting rental rates after gauging trends in the rental market. Furthermore, Japan Single-residence REIT believes there is a need to consider and implement measures aimed at reducing the lease cancellation rate, such as questionnaires to determine the needs of residents and the level of satisfaction with their apartments.

With regard to maintenance and improvements at portfolio properties, Japan Single-residence REIT will continue to make substantial investments that raise the value of these properties. Investments that can preserve and raise asset value over the medium and long terms are made based on the competitiveness, facilities and other aspects of each property.

(c) Financial Strategy

Japan Single-residence REIT takes steps to maintain sound relationships with financial institutions. In addition, to establish a sound financial position, Japan Single-residence REIT believes that it must continue to hold discussions with financial institutions with the aims of further improving the cost of funds, extending the maturities of loans and taking other actions.

(3) Significant Subsequent Events

(i) Merger with CIC

The merger agreement with CIC was approved at the sixth unitholders' meeting that was held on September 1, 2010. Unitholders also approved a resolution to cancel the asset management entrustment agreement with Japan Single-residence Asset Management Corp., which is the asset management company of Japan Single-residence REIT, on the condition that the CIC merger takes place.

(a) Purpose of merger

Japan Single-residence REIT and CIC signed a merger agreement on June 21, 2010 based on the belief that merging will eliminate financial problems, such as concerns about the rising cost of fund procurement and ability to obtain refinancing, and stabilize the financial position. The merger is also expected to increase assets, improve asset quality by restructuring portfolio assets, increase liquidity of investment units and produce other benefits. Japan Single-residence REIT and CIC believe these benefits will lead to new growth and increase value for their unitholders.

(b) Merger method

The merger will be an absorption-type merger in which CIC will be the surviving corporation and Japan Single-residence REIT will be dissolved.

(c) Allotment ratio for investment units

CIC will exchange three CIC investment units for each Japan Single-residence REIT investment unit held by unitholders that are listed or registered on the Japan Single-residence unitholder ledger at the close of business on the day before the merger becomes effective. CIC will conduct a four-to-one investment unit split prior to performing this investment unit exchange with the unitholders of Japan Single-residence REIT for the merger. Japan Single-residence unitholders will receive three post-split CIC investment units for each unit held (the merger ratio is therefore one CIC investment unit for each 0.75 Japan single-residence investment unit).

(d) Summary of CIC (fiscal period ended May 2010)

Activities:	Investments and management of specified assets in accordance with the Investment Trust and Investment Corporation Law
Operating revenue:	2,830 million yen
Net income:	694 million yen
Total asset:	104,461 million yen
Total liabilities:	44,353 million yen
Net assets:	60,107 million yen

(e) Date of merger

The merger is to become effective on October 1, 2010.

(Reference)

(a) Borrowings

Japan Single-residence REIT received the following loans on August 31, 2010 for the purpose of refinancing borrowings that were due on the same day.

Lender	Borrowing amount	Principal repayment date	Principal repayment date
6-bank syndicate group (*1)	10,554million yen	August 31, 2010	May 31, 2011
Aozora Bank, Ltd.	6,130million yen	August 31, 2010	May 31, 2011

(*1) The syndicate group consists of:
The Chuo Mitsui Trust and Banking Co., Ltd.; Aozora Bank, Ltd.; Mizuho Trust & Banking Co., Ltd.; Sumitomo Mitsui Banking Corporation, Ltd.; The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Resona Bank, Ltd.

(b) Change in administrative agent

In accordance with Article 117 items 2, 3 and 4 of the Investment Trust and Investment Corporation Law, the administrative agent (transfer agent) will be changed from The Chuo Mitsui Trust & Banking Co., Ltd. to The Mizuho Trust & Banking Co., Ltd. as of September 16, 2010.

(c) Sale of stock of asset management company (change in parent company)

On September 2, 2010, the stock of Japan Single-residence Asset Management Corp., which is the asset management company of Japan Single-residence REIT, was sold by Apamanshop Sublease Co., Ltd., Lehman Brothers Investments Japan Inc. and K.K. daVinci Holdings to HEIWA REAL ESTATE Asset Management CO., LTD. (formerly Canal Investment Trust, Ltd.).

(ii) Forecast for Results of Operations

As was explained in “(3) Significant Subsequent Events,” a merger agreement with CIC has been approved that will result in Japan-single Residence REIT merging on October 1, 2010 with CIC, which will absorb Japan single-residence REIT and be the surviving corporation, and in the dissolution of Japan single-residence REIT. As result, Japan Single-residence REIT has made the fiscal period ending on September 30, 2010, the day before the merger date, a provisional fiscal period. For this provisional fiscal period (August 1, 2010 to September 30, 2010), Japan Single-residence REIT forecasts operating revenue of 579 million yen and a net loss of 129 million yen.

Japan Single-residence REIT plans to record during this provisional fiscal period 84 million yen of CIC merger expenses that are expected to be incurred during this fiscal period. There will be no payment (distribution per unit) in association with the merger because posting merger expenses during the provisional fiscal period will result in an unappropriated retained loss at the end of this period.

For information about the assumptions used for this forecast, please refer to the table on page 7 titled "Assumptions Used for the Forecast for the Provisional Fiscal Period (September 2010 Period: August 1, 2010 to September 30, 2010).

Note that actual operating revenue and the net loss may differ from this forecast due to changes in a number of factors.

(4) Assumptions Used for Forecast for Results of Operations for the Provisional Fiscal Period (August 1, 2010 to September 30, 2010)

Item	Assumption
Accounting Period	- Provisional fiscal period: August 1, 2010 to September 30, 2010 (61 days)
Portfolio Assets	- For the operations forecast it is assumed that 43 properties as of July 31, 2010 are held as trust beneficiary rights. - This could change due to changes in actual portfolio assets.
Number of investment units outstanding	- The number of outstanding investment units as of September 30, 2010 is assumed to be the 56,111 units outstanding as of July 31, 2010.
Borrowings	- As of July 31, 2010 the volume of borrowings outstand was 30,454 million yen, and it is assumed that this is amount will be unchanged at September 30, 2010. - It is assumed that all short-term borrowings that are due in September 2010 will be refinanced.
Operating Revenue	- Rent revenue was calculated based on the operating revenue from the 43 properties held as trust beneficiary rights as of July 31, 2010, taking into consideration the competitiveness of the properties and the market environment. - There is no expected gain on the sale of property.
Operating expenses	- Leasing expenses, which are the main operating expenses, are assumed to be 287 million yen, mainly consisting of 118 million yen in depreciation & amortization expenses, 69 million yen in management consignment fees, and 54 million yen in taxes and public dues. - Within leasing expenses, expenses other than depreciation & amortization expenses were estimated based on actual past figures, adjusted to reflect factors that will change expenses. - Building repair expenses are recorded as the expected necessary cost for each business period. Repair costs could vary significantly from the estimate due to the possibility of emergency repairs arising from building damage caused by unforeseeable factors.
Non-operating expenses	- Interest expenses are assumed to be 129 million yen and borrowing expenses are assumed to be 90 million yen. - For expenses associated with the CIC merger, Japan Single-residence REIT plans to record as expenses in the provisional fiscal period the 84 million yen of expenses that are expected to be incurred during this fiscal period.
Per-unit cash distributions	- The per-unit cash distributions were calculated based on the method for cash distributions prescribed in the investment corporation bylaws. - There will be no merger payment (distribution) because there will be an unappropriated loss at the end of the fiscal period.
Other	- It is assumed that there are no changes to laws, tax policies, accounting standards, listing rules, Investment Trusts Association Japan rules or other governing rules that would affect the above estimates. - It is assume that there are not major unforeseen changes in general economic or property market trends.

4. Financial Statements

(1) Balance Sheets

Amount (Thousands of yen)

	10th Fiscal Period As of Jul. 31, 2010	9th Fiscal Period As of Jan. 31, 2010
ASSETS		
Ⅰ. Current assets		
Cash and deposits	992,988	1,359,555
Cash and deposits in trust	1,498,673	1,506,703
Accounts receivable—trade	45,308	45,187
Advances account	6,300	62,902
Prepaid expenses	252,123	30,144
Deferred tax assets	—	1,680
Other	7,699	8,435
Allowance for doubtful accounts	(5,338)	(3,894)
Total current assets	2,797,755	3,010,716
Ⅱ. Noncurrent assets		
1.Property, plant and equipment		
Buildings in trust	22,774,901	23,057,480
Structures in trust	198,271	193,776
Machinery and equipment in trust	137,276	142,841
Tools, furniture and fixtures in trust	447,230	500,441
Land in trust	32,280,166	32,280,166
Total property, plant and equipment	55,837,846	56,174,706
2.Intangible assets		
Right of trademark	175	191
Other	4,587	5,632
Total intangible assets	4,762	5,824
3.Investments and other assets		
Accounts receivable—long-term	17,414	11,175
Long-term prepaid expenses	489	—
Lease and guarantee deposits	10,000	10,000
Long-term deferred tax assets	—	4,395
Other	49,214	44,007
Allowance for doubtful accounts	(17,151)	(11,175)
Total investments and other assets	59,966	58,402
Total noncurrent assets	55,902,575	56,238,933
Ⅲ. Deferred assets		
Investment unit issuance expenses	—	55
Total deferred assets	—	55
Total assets	58,700,331	59,249,704
LIABILITIES		
Ⅰ. Current liabilities		
Accounts payables	57,885	71,598
Short-term loans payable	30,454,300	17,204,300
Long-term loans due within one year	—	13,600,000
Accounts payable—other	159,387	3,360
Accrued expenses	106,847	106,406
Income taxes payable	605	2,789
Accrued consumption taxes	1,065	3,346
Advances received	4,636	4,534
Unearned revenue	285,766	291,392
Deposits received	778	123
Other	23,314	42,322
Total current liabilities	31,094,587	31,330,174
Ⅱ. Noncurrent liabilities		
Tenant leasehold and security deposits in trust	407,534	419,506
Total noncurrent liabilities	407,534	419,506
Total liabilities	31,502,122	31,749,680

	Amount (Thousands of yen)	
	10th Fiscal Period As of Jul. 31, 2010	9th Fiscal Period As of Jan. 31, 2010
NET ASSETS		
Ⅰ. Unitholders' equity		
1.Unitholders' capital	27,317,380	27,317,380
2.Surplus		
Unappropriated retained earnings or loss	(119,171)	236,026
Total surplus	(119,171)	236,026
Total unitholders' equity	27,198,209	27,553,407
Ⅱ. Valuation and translation adjustments		
1.Deferred hedge profit or loss	―	(53,383)
Total valuation and translation adjustments	―	(53,383)
Total net assets	27,198,209	27,500,023
Total liabilities and net assets	58,700,331	59,249,704

(2) Statements of Income

Amount (Thousands of yen)

	10th Fiscal Period From Feb. 1, 2010 to Jul. 31, 2010	9th Fiscal Period From Aug. 1, 2009 to Jan. 31, 2010
1.Operating revenue		
Rent revenue—real estate	1,760,303	1,750,358
Other lease business revenue	20,131	15,804
Total of operating revenue	1,780,435	1,766,163
2.Operating expenses		
Expenses related to rent business	778,858	780,207
Directors' compensations	4,800	4,800
Asset management fee	146,906	149,337
Asset custody fee	8,406	8,406
Administrative service fee	24,142	25,501
Audit fee	10,000	10,000
Other operating expenses	87,191	66,557
Total of operating expense	1,060,305	1,044,810
Operating income	720,129	721,352
3.Non-operating income		
Interest income	459	423
Insurance income	2,036	10,984
Other non-operating income	2,622	1,712
Total of non-operating income	5,118	13,120
4.Non-operating expenses		
Interest expenses	463,522	306,998
Amortization of deferred organization expenses	—	5,972
Borrowing expenses	295,110	169,260
Amortization of investment unit issuance expenses	55	8,396
Other non-operating expenses	79,074	6,697
Total of non-operating expenses	837,762	497,325
Ordinary income or losses	(112,514)	237,146
Income before income taxes	(112,514)	237,146
Income taxes—current	605	2,873
Income taxes—deferred	6,075	(1,741)
	6,680	1,132
Net income or losses	(119,195)	236,014
Retained earnings brought forward	23	11
Unappropriated retained earnings or losses	(119,171)	236,026

(3) Statements of Cash Flows

Amount (Thousands of yen)

	10th Fiscal Period From Feb. 1, 2010 to Jul. 31, 2010	9th Fiscal Period From Aug. 1, 2009 to Jan. 31, 2010
Ⅰ. Cash flows from operating activities		
Income (loss) before income taxes	(112,514)	237,146
Depreciation and amortization	356,145	354,918
Interest income	(459)	(423)
Refund of unpaid distribution	(157)	(203)
Interest expenses	463,522	306,998
(Increase) decrease in accounts receivable—trade	(120)	(83)
(Increase) decrease in accounts receivable—long-term	(6,239)	(3,449)
(Increase) decrease in advances account	56,602	(2)
Increase (decrease) in accrued consumption taxes	(2,280)	(617)
Increase (decrease) in accounts payable	(3,895)	6,880
Increase (decrease) in accounts payable—other	156,026	(2,764)
Increase (decrease) in advances received	102	(598)
Increase (decrease) in unearned revenue	(5,625)	13,344
Other	(214,535)	118,516
Subtotal	686,570	1,029,661
Interest received	459	423
Interest paid	(428,321)	(306,998)
Income taxes paid	(2,881)	(1,824)
Net cash provided by operating activities	255,828	724,514
Ⅱ. Cash flows from investing activities		
Purchase of property, plant and equipment in trust	(29,314)	(68,135)
Proceeds from lease and guarantee deposits in trust	42,259	33,712
Payments for lease and guarantee deposits in trust	(54,230)	(34,396)
Payments for acquisition of other investments	(3,485)	(3,485)
Net cash used in investing activities	(44,772)	(72,305)
Ⅲ. Cash flows from financing activities		
Increase in proceed from short-term borrowings	13,769,600	17,204,300
Repayment of short-term borrowings	(519,600)	(17,212,000)
Repayment of long-term borrowings	(13,600,000)	—
Cash distributions paid	(235,653)	(250,900)
Net cash provided by financing activities	(585,653)	(258,600)
Ⅳ. Net increase (decrease) in cash and cash equivalents	(374,597)	393,608
Ⅴ. Cash and cash equivalents at beginning of period	2,866,259	2,472,650
Ⅵ. Cash and cash equivalents at end of period	2,491,661	2,866,259

5. Beneficial interest in real estate trust

The following is an overview of the real estate properties that Japan Single-residence REIT owns the beneficial interest in trust for (hereinafter “real estate property in trust”) as of July 31, 2010.

Overview, price, and investment ratio of real estate properties in trust (millions of yen)

Property number	Usage (Note 1)	Area (Note 2)	Property name	Acquisition value (Note 3)	Book value	Investment ratio (Note 4)	Appraisal value at end of fiscal year (Note 5)	Occupancy rate at end of fiscal year (Note 6)
M-1	SM	Tokyo Area	Single-residence Shiba-koen	954.0	933.8	1.69%	812.0	100.00%
M-2	SM	Tokyo Area	Single-residence Mita	1,250.0	1,217.8	2.21%	1,110.0	100.00%
M-3	SM	Tokyo Area	Single-residence Takanawa	900.0	879.4	1.59%	747.0	88.31%
M-4	SM	Tokyo Area	La Residence de Shirokanedai	947.0	942.1	1.67%	759.0	92.90%
M-5	SM	Tokyo Area	Single-residence Ginzahigashi	1,613.0	1,584.9	2.85%	1,430.0	94.42%
M-6	SM	Tokyo Area	Single-residence Hatchobori Ⅱ	2,170.0	2,125.2	3.83%	1,890.0	90.86%
M-7	SM	Tokyo Area	Single-residence HatchoboriⅢ	1,010.0	970.7	1.78%	788.0	86.94%
M-8	SM	Tokyo Area	Single-residence Ginza	1,127.0	1,077.0	1.99%	991.0	96.00%
M-9	SM	Tokyo Area	TOUR JAUNE Komazawa-koen	7,072.2	7,061.4	12.50%	6,260.0	93.41%
M-10	SM/SA (Note 7)	Kansai Area	Single-residence Umeda TOWER	2,850.0	2,680.6	5.04%	1,940.0	98.46%
M-11	SM	Kansai Area	Single-residence Nakanoshima	645.0	629.0	1.14%	457.0	89.34%
M-12	SM	Kansai Area	Single-residence Awaza	664.8	633.5	1.17%	571.0	96.80%
M-13	SM	Chukyo Area	Single-residence Marunouchi	695.0	666.7	1.23%	643.0	87.54%
M-15	SM	Government-designated cities	Single-residence Hirao	2,300.0	2,204.2	4.06%	1,740.0	94.27%
M-16	SM	Kansai Area	Single-residence Kawaramachi Nijo	639.0	617.8	1.13%	540.0	90.24%
M-17	SM	Government-designated cities	Single-residence Minami 6 Jyo	295.0	281.8	0.52%	236.0	96.67%
M-19	SM	Government-designated cities	Single-residence Tenjin minami	782.0	781.8	1.38%	647.0	95.70%
M-20	SM	Government-designated cities	Single-residence Tenjinhigashi	642.9	609.0	1.14%	471.0	88.31%
M-21	SM	Kansai Area	Single-residence Shijyo Kawaramachi	2,500.4	2,511.6	4.42%	1,990.0	95.03%
M-22	SM	Tokyo Area	La Residence de Sendagi	951.0	947.7	1.68%	818.0	100.00%
M-23	SM	Tokyo Area	Single-residence Sendagi	1,049.0	1,042.1	1.85%	900.0	91.13%
M-24	SM	Tokyo Area	Single-residence Komazawa-koen	708.5	724.8	1.25%	615.0	88.89%
M-25	SM	Tokyo Area	Single-residence Musashikoyama	930.8	966.1	1.64%	836.0	100.00%
M-26	SM	Tokyo Area	Single-residence Kokubunji	1,043.8	1,038.4	1.84%	856.0	98.06%
M-27	SM	Chukyo Area	Single-residence Hisayaodori	1,420.0	1,396.0	2.51%	1,160.0	96.87%

Property number	Usage (Note 1)	Area (Note 2)	Property name	Acquisition value (Note 3)	Book value	Investment ratio (Note 4)	Appraisal value at end of fiscal year (Note 5)	Occupancy rate at end of fiscal year (Note 6)
M-28	SM	Kansai Area	Single-residence Karasuma Kuramaguchi	685.0	697.3	1.21%	598.0	95.15%
M-29	SM	Tokyo Area	Single-residence Nishishinjuku WEST	2,291.1	2,291.1	4.05%	1,980.0	92.49%
M-30	SM	Tokyo Area	Single-residence Nishishinjuku EAST	1,341.5	1,344.5	2.37%	1,160.0	95.18%
M-31	SM	Tokyo Area	Single-residence Higashishinjuku	1,560.0	1,549.2	2.76%	1,360.0	98.57%
M-32	SM	Kansai Area	Single-residence Higashishinsaibashi	730.0	730.1	1.29%	577.0	97.72%
M-33	SM	Government-designated cities	Single-residence Kitayobancho	954.0	942.8	1.69%	816.0	85.55%
M-34	SM	Government-designated cities	Single-residence Atagobashi	815.0	802.1	1.44%	712.0	98.75%
M-35	SM	Government-designated cities	Single-residence Kyudaibyoin-mae	530.0	543.4	0.94%	438.0	86.07%
M-36	SM	Tokyo Area	Single-residence Asakusabashi	940.0	939.1	1.66%	770.0	94.87%
M-37	SM	Government-designated cities	Single-residence Ichibancho	993.0	983.3	1.75%	864.0	91.71%
M-38	SM	Tokyo Area	Single-residence Higashinakano	1,142.8	1,145.4	2.02%	960.0	91.45%
M-39	SM	Kansai Area	Single-residence Minami 5 Jyo	494.8	513.7	0.87%	424.0	100.00%
M-41	SM	Tokyo Area	Single-residence Waseda First-Square	3,018.3	3,025.2	5.33%	2,280.0	94.24%
M-42	SM	Tokyo Area	Single-residence Waseda Second-Square	1,274.5	1,287.8	2.25%	941.0	93.09%
H-1	BH	Kansai Area	Super Hotel Osaka Tennoji	1,173.0	1,133.8	2.07%	1,120.0	100.00%
H-2	BH	Kansai Area	Super Hotel Kyoto Karasumagojyo	978.0	945.6	1.73%	936.0	100.00%
H-3	BH	Tokyo Area	Super Hotel Saitama Omiya	1,120.0	1,089.3	1.98%	1,000.0	100.00%
H-4	BH	Government-designated cities	Super Hotel Sendai Hirose-dori	1,390.0	1,348.7	2.46%	1,250.0	100.00%
Total				56,591.6	55,837.8	100.00%	47,393.0	94.72%

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 Area" refers to the Tokyo metropolitan area, which includes Tokyo, Kanagawa, Saitama and Chiba Prefectures. "Kansai Area" stands for the Kansai area, which includes Osaka, Hyogo and Kyoto Prefectures. "Chukyo Area" refers to Aichi Prefecture and "Government-designated cities" refers to any other large cities designated by government ordinance.
Note 3: "Acquisition value" does not include costs required to acquire the property (including broker fees, taxes and public dues).
Note 4: "Investment ratio" shows percentage of the acquisition value to the total acquisition value of all real estate properties in trust. The value is rounded to the nearest hundredth (2 decimal places).
Note 5: "Appraisal value at end of fiscal year": Based on the rules stipulated by Japan Single-residence REIT's Articles of Incorporation and "Ordinance of Balance Sheet, Profit and Loss Statement, Asset Management Report, Financial Statements pertaining to Allotment of Funds and Detailed Statement for Investment Corporation." Appraisal values at the end of the period shown are values described in real estate appraisal reports prepared by real estate appraisers (i.e. Japan Real Estate Institute, Daiwa Real Estate Appraisal Corporation, K.K. LCR Kokudo Riyou Kenkyusho, or Toei Real Estate Appraisal Inc.) and the appraisal date of those appraisal values is at July 31, 2010.
Note 6: "Occupancy rate as at end of fiscal year" is as at July 31, 2010. The value is based on the percentage of rentable area of the real estate property in trust that is currently being rented out. The percentage value is rounded to the nearest hundredth (two decimal places).
Note 7: Property M-10 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.

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