

May 27, 2008

To All Concerned Parties

Japan Single-residence REIT Inc.  
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Akihiko Soga, Executive Director  
(Securities code: 8970)

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Notice Concerning the Borrowing of Funds

Japan Single-residence REIT Inc. (“Japan Single-residence REIT”) hereby announces on this day its decision to borrow funds as follows:

Fund borrowing

(1) Reason for borrowing

To secure the funds need for refinancing of the short-term loan coming due on May 30, 2008 (8th short-term borrowing).

Lender : Aozora Bank, Ltd.  
Borrowing amount : ¥1,787,762,039  
Drawdown date : May 31,2007  
Due date of principal repayment : May 30,2008

(2) Details of borrowing (11th short-term borrowing)

1. Lender : Aozora Bank, Ltd.
2. Scheduled borrowing amount : ¥1,780million yen
3. Interest rate applicable to the borrowing (per annum) : The interest rate will be announced separately when it is finalized.
4. Scheduled drawdown date : May 30,2008
5. Borrowing method : Based on loan agreement conclude on May 28,2008
6. Principal repayment method : Lump sum repayment at maturity
7. Due date of principal repayment : July 15,2008

[Reference]

Status of interest-bearing debt before and after the drawdown of the borrowings (as of May 30, 2008)

(Unit: million yen)

	Before drawdown	After drawdown	Change
Short-term borrowings	7,230	7,222	7
Term loan (long-term borrowings due within 1 year)	10,619	10,619	-
Term loan (long-term borrowings)	13,600	13,600	
Total borrowings	31,449	31,441	7
Unitholders' equity	27,317	27,317	-
Loan-to-value ratio <sup>(Note)</sup>	53.5%	53.5%	-

(Note) Loan-to-value ratio  
= Interest-bearing debt ÷ (Interest-bearing debt + Unitholders' equity) × 100%;  
rounded to the nearest tenth (1 decimal places).

*This English language notice is a translation of the Japanese language notice dated May 27, 2008 and was prepared solely for the convenience of, and reference by, overseas investors. Japan Single-residence REIT makes no warranties as to its accuracy or completeness.*