

July 11, 2008

To All Concerned Parties

Japan Single-residence REIT Inc.  
9th floor, Kamiyacho Sankei Building,  
1-7-2 Azabudai, Minato-ku, Tokyo  
Akihiko Soga, Executive Director  
(Securities code: 8970)

Japan Single-residence Asset Management Corp.  
9th floor, Kamiyacho Sankei Building,  
1-7-2 Azabudai, Minato-ku, Tokyo  
Akihiko Soga, President and CEO  
Tel: +81-3-4412-1040 (main)

### Notice Concerning New Borrowing

Japan Single-residence REIT Inc. (“Japan Single-residence REIT”) has decided to borrow funds as follows.

(1) Reason for new borrowing

Japan Single-residence REIT is using the new borrowing to refinance the following term loan with a scheduled principal repayment date of July 15.

Lender	Amount	Date of loan	Scheduled principal repayment date
Syndicated loan with The Chuo Mitsui Trust and Banking Co., Ltd. acting as agent	¥10,619,275,147	July 15, 2005	July 15, 2008

(2) Description of borrowing

- 1) Scheduled lenders: The Chuo Mitsui Trust and Banking Co., Ltd., Aozora Bank, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Trust & Banking Co., Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Resona Bank, Ltd.
- 2) Scheduled borrowing amount: ¥10,615,000,000
- 3) Interest rate applicable to borrowing (per annum): 2.36272%  
The yen offered rate in Japan during the interest calculation period plus 1.50%. The interest rate will be applicable from July 15, 2008 to October 31, 2008, inclusive.
- 4) Scheduled drawdown date: July 15, 2008
- 5) Borrowing method: Borrowing to be conducted in accordance with the Term Loan Agreement signed on July 11, 2008 with the above lenders. As collateral for this borrowing, Japan Single-residence REIT plans to use the collateral used for the borrowing in (1) above: establishment of a first right of pledge on the trust beneficiary interest in real estate consisting of the 16 properties acquired by Japan Single-residence REIT on July 13, 2005 and July 15, 2005.
- 6) Principal repayment method: Lump-sum repayment date upon maturity
- 7) Due date of principal repayment: July 15, 2009

(3) Outlook for current fiscal year

Japan Single-residence REIT has not determined the effect of this borrowing on the forecast for the 6th fiscal period (ending July 31, 2008) because the expenses and other items associated with this borrowing have not

*This English language notice is a translation of the Japanese language notice dated July 11, 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.*

been confirmed. An announcement will be made once these expenses and other items have been finalized.

➤ Japan Single-residence REIT website: <http://www.jsreit.co.jp/eng/>

(Reference material)

Change in interest-bearing liabilities before and after the drawdown of the borrowing and repayment (as of July 15, 2008)

(million yen)

	Before drawdown and repayment	After drawdown and repayment	Change
Short-term borrowings	7,222	7,222	—
Term loans (short-term borrowings)	—	10,615	+10,615
Term loans (long-term borrowings due within one year)	10,619	—	-10,619
Term loans (long-term borrowings)	13,800	13,800	—
Total borrowings	31,441	31,437	-4
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) x 100%  
Result is rounded to the nearest tenth of one percent.