

July 23, 2008

To All Concerned Parties

Japan Single-residence REIT Inc.  
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(Securities code: 8970)

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### Notice of Revisions to Forecasts for Fiscal Period Ending July 2008

Japan Single-residence REIT Inc. has revised its previous forecasts for the fiscal period ending July 31, 2008, which is the sixth fiscal period (from February 1, 2008 to July 31, 2008). The following forecasts replace the previous forecasts announced on March 17, 2008.

#### 1. Revised forecast for fiscal period ending July 31, 2008

	Operating revenue (million yen)	Ordinary income (million yen)	Net income (million yen)	Cash distribution per unit (yen)	Cash distribution per unit in excess of earnings (yen)
Previous forecast (A)	1,870	521	519	9,250	—
Revised forecast (B)	1,857	487	485	8,650	—
Difference (B-A)	(13)	(33)	(33)	(600)	—
Pct. change	(0.7%)	(6.5%)	(6.5%)	(6.5%)	—

(Note 1) Projected number of units at end of July 2008: 56,111

(Note 2) The above forecasts are based on operations at the time these revisions were announced. Actual operating revenue, ordinary income and cash distributions per unit may differ from these forecasts.

(Note 3) Monetary figures are rounded down to the nearest million yen and percentages rounded up or down to the nearest tenth of one percent.

#### 2. Reasons for revisions

- a. Japan Single-residence REIT made announcements concerning borrowings on July 10, 2008 (Notice Concerning New Borrowing and Repayment of Borrowing) and on July 11, 2008 (Notice Concerning New Borrowing). The cost of these borrowings, including expenses associated with taking out these borrowings, was higher than expected because of the recent worsening in the environment for obtaining financing caused by the subprime loan crisis. The higher cost of these borrowings is responsible for about ¥20 million of the ¥33 million decline in the net income forecast.
- b. Japan Single-residence REIT announced on June 2, 2008 the suspension of the acquisition of assets (Notice Concerning the Cancellation of Acquisition of Property). The decision not to acquire beneficiary interest in trusts with assets consisting mainly of real estate has caused a decline in operating revenue. The decline in revenue resulting from this decision is responsible for about ¥13 million of the ¥33 million decline in the net income forecast.

*This English language notice is a translation of the Japanese language notice dated July 23, 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.*