

October 24, 2008

To All Concerned Parties

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

Japan Single-residence Asset Management Corp.
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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 October 31, 2008 (9th short-term borrowing).

Lender	:	The Musashino Bank, Ltd.
Borrowing amount	:	¥1,092,521,246
Drawdown date	:	October 31, 2007
Due date of principal repayment	:	October 31, 2008

(2) Details of borrowing

1. Lender : The Musashino Bank, Ltd.
2. Scheduled borrowing amount : ¥670 million yen
3. Interest rate applicable to the borrowing (per annum) : The interest rate will be announced separately when it is finalized.
The interest rate will be the yen offered rate in Japan during the interest calculation period plus 1.50%.
4. Scheduled drawdown date : October 31, 2008
5. Borrowing method : Borrowing to be conducted in accordance with the Term Loan Agreement signed on October 29, 2008 with the above lender. As collateral for this borrowing, Japan Single-residence REIT plans to establish a first right of pledge on the trust beneficiary interest in a trust that holds Super Hotel Saitama Omiya, which has been used as collateral for the borrowing in (1) above.
6. Principal repayment method : ¥50 million will be repaid every three months beginning on the last day of January 2009, and ¥520 million will be repaid in a lump sum on the principal repayment due date.
7. Due date of principal repayment : October 30, 2009

This English language notice is a translation of the Japanese language notice dated October 24, 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.

[Reference]

Status of interest-bearing debt before and after the drawdown of the borrowings (as of October 31, 2008)

(Unit: million yen)

	Before drawdown	After drawdown	Change
Short-term borrowings	17,837	17,415	422
Term loan (long-term borrowings)	13,600	13,600	-
Total borrowings	31,437	31,015	422
Unitholders' equity	27,317	27,317	-
Loan-to-value ratio ^(Note)	53.5%	53.5%	0.3%

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