

March 12, 2009

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 following short-term loan coming due on January 15, 2009.

Lender	:	Aozora Bank, Ltd.
Borrowing amount	:	¥6,130,000,000
Drawdown date	:	January 15, 2009
Due date of principal repayment	:	March 16, 2009

(2) Details of borrowing

1. Lender : Aozora Bank, Ltd.
2. Scheduled borrowing amount : ¥6,130,000,000
3. Interest rate applicable to the borrowing (per annum) : 2.66%
The interest rate is the yen offered rate in Japan during the interest calculation period plus 2.00%.
The interest rate shown is applicable from, and inclusive, March 17, 2009, inclusive, to May 15, 2009.
4. Scheduled drawdown date : March 16, 2009
5. Borrowing method : Borrowing to be conducted in accordance with the Term Loan Agreement signed on March 12, 2009 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 Single-residence Waseda First-Square, Single-residence Waseda Second-Square, Single-residence Komazawa-koen, Single-residence Higashinakano, Single-residence Hisayaodori, and Single-residence Minami 5 Jyo. In addition, a subordinated revolving right of pledge is to be established on trust beneficiary interests in real estate consisting of the 16 real estate properties acquired by Japan Single-residence REIT on July 13, 2005 and July 15, 2005.

This English language notice is a translation of the Japanese language notice dated March 12, 2009 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.

6. Principal repayment method : Lump-sum repayment date upon maturity
 7. Due date of principal repayment : July 15, 2009

[Reference]

Status of interest-bearing debt before and after the drawdown of the borrowings (as of March 16, 2009)

(Unit: million yen)

	Before drawdown	After drawdown	Change
Short-term borrowings	17,365	17,365	-
Term loan (long-term borrowings)	13,600	13,600	-
Total borrowings	30,965	30,965	-
Unitholders' equity	27,317	27,317	-
Loan-to-value ratio ^(Note)	53.1%	53.1%	- %

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