

September 28, 2010

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)

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Notice Concerning New Borrowing

Japan Single-residence REIT Inc. (“Japan Single-residence REIT”) has decided to borrow fund 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 March 31, 2010.

Lender	Amount	Date of loan	Scheduled principal repayment date
The Musashino Bank, Ltd.	¥519,600,000	March 31, 2010	September 30, 2010

(2) Description of borrowing

- | | |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1) Lender: | The Musashino Bank, Ltd. |
| 2) Borrowing amount: | ¥519,600,000 |
| 3) Interest rate applicable to borrowing (per annum): | 1.66000%
The interest rate is three-months Japanese yen TIBOR plus 1.30%. |
| 4) Scheduled drawdown date: | September 30, 2010 |
| 5) Borrowing method: | Borrowing to be conducted in accordance with the Term Loan Agreement signed on September 28, 2010 with the above lender. As collateral for this borrowing, Japan Single-residence REIT plans to use the collateral used for the borrowing in above: establishment of a first right of pledge on the trust beneficiary interest in real estate consisting of the 1 property. |
| 6) Principal repayment method: | Lump-sum repayment date upon maturity |
| 7) Due date of principal repayment: | May 31, 2011 |

(3) Status of interest-bearing debt before and after the drawdown of the borrowings (as of September 30, 2010)

(Unit: million yen)

	Before drawdown	After drawdown	Change
Short-term borrowings	30,454	30,454	—
Term loan (Long-term Borrowings due within one year)	—	—	—
Total borrowings	30,454	30,454	—
Unitholders' equity	27,317	27,317	—
Loan-to-value ratio ^(Note)	52.7%	52.7%	—

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