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For Immediate Release

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Notice Concerning Execution of Short-term Borrowings

Frontier Real Estate Investment Corporation (“Frontier Real Estate Investment”) today announced its decision to execute short-term borrowings and the interest rate applicable to short-term borrowings has been determined. The details are as follows.

1. The purpose of short-term borrowings

To appropriate for the acquisition of new real estate.

2. Details

1)	Lenders	Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation The Sumitomo Trust and Banking Co., Ltd.
2)	Borrowing amount	JPY 2,400 Million
3)	Interest rate(*)	0.76818% (September 28, 2006 ~ January 21, 2007)
4)	Loan type	Unsecured, Unguaranteed
5)	Drawdown date	September 28, 2006
6)	Maturity date	September 21, 2007

(*) Next interest rate will be announced when it is determined.

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Reference

Outstanding movement of borrowings

	Before Additional Borrowings	After Additional Borrowings	Variance
Short-term Borrowings	JPY 600MM	JPY 3,000MM	+ JPY 2,400MM
Borrowings Total	JPY 600MM	JPY 3,000MM	+ JPY 2,400MM