

October 10, 2007

**For Immediate Release**

2-17-22 Akasaka, Minato-ku, Tokyo  
Frontier Real Estate Investment Corporation  
Shunpei Nishikata, Executive Director  
(Securities Code : 8964)

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**Notice Concerning Short-term Borrowings Interest Rate**

Frontier Real Estate Investment Corporation (“Frontier Real Estate Investment”) today announced the interest rate applicable to short-term borrowings on September 21, 2007.

Drawdown rate	Borrowing amount	Interest rate
September 21, 2007	JPY 4,800 Million	1.04083% (October 12, 2007 –December 11, 2007)

Interest rate on and after December 12, 2007 will be announced when it is determined.

This document is released to media organizations through the “Kabuto Club”(the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure and Transport Press Club, and the Press Club for the Ministry of Land, Infrastructure and Transport Construction Paper.

Frontier Real Estate Investment website : <http://www.frontier-reit.co.jp/eng/>