

May 18, 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 22, 2006 and September 28, 2006.

Drawdown rate	Borrowing amount	Interest rate
September 22, 2006	JPY 600 Million	0.97917% (May 22, 2007 – September 20, 2007)
September 28, 2006	JPY 2,400 Million	0.97917% (May 22, 2007 – September 20, 2007)

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/>