

April 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 Execution of Short-term Borrowing

Frontier Real Estate Investment Corporation today announced its decision to execute short-term borrowing 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 Sports Club Renaissance Hiroshima

2. Details
 - (1) Lenders : Mizuho Bank, Ltd.
 - (2) Borrowing amount : JPY 1,800 Million
 - (3) Interest rate : 1.05750% (April 12, 2007 ~ September 20, 2007)
 - (4) Loan type : Unsecured, Unguaranteed
 - (5) Drawdown date : April 12, 2007
 - (6) Maturity date : September 21, 2007

Please note that this short-term borrowing gets executed using a commitment line which was entered into on April 9th, 2007 between Frontier Real Estate Investment Corporation and Mizuho Bank, Ltd.. The details regarding a commitment line are as follows.

- (1)Lender : Mizuho Bank, Ltd.
- (2)Limit for the commitment line : 20 billion yen
- (3)Agreement execution date : April 9, 2007
- (4)Borrowing period : Within 6 months of drawdown date
- (5)Securities / Guarantees : Unsecured / Unguaranteed
- (6)Application of funds : For the acquisition of real estate and trust beneficiary interest

< Reference : Outstanding movement of borrowings >

	Before Additional Borrowings	After Additional Borrowings	Variance
Short-term Borrowings	JPY 3,000MM	JPY 4,800MM	+ JPY 1,800MM
Borrowings Total	JPY 3,000MM	JPY 4,800MM	+ JPY 1,800MM

- 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/>