

February 27, 2008

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 today announced the interest rate applicable to short-term borrowings on February 18, 2008.

Drawdown date	February 18, 2008
Total Amount and breakdown amount by lenders	JPY 15,900 Million
Mizuho Bank, Ltd.	JPY 5,300 Million
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	JPY 5,300 Million
Mitsubishi UFJ Trust and Banking Corporation.	JPY 2,650 Million
The Sumitomo Trust & Banking Co., Ltd.	JPY 2,650 Million
Interest rate (*)	0.89417% (February 29, 2008 ~ March 30, 2008)

(*) Interest rate on and after March 31, 2008 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/>