

June 26, 2008

For Immediate Release

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

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Frontier REIT Management Inc.
Shinichi Totani
Chief Executive Officer and Representative Director

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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 April 30, 2008.

Total Amount	JPY 6,300 Million
Lenders and Breakdown Amount by Lenders	Mizuho Bank, Ltd. JPY 2,100 Million The Bank of Tokyo-Mitsubishi UFJ, Ltd. JPY 2,100 Million Mitsubishi UFJ Trust and Banking Corporation. JPY 1,050 Million The Sumitomo Trust & Banking Co., Ltd. JPY 1,050 Million
Drawdown Date	April 30, 2008
Maturity Date	September 19, 2008
Interest Rate (*)	0.97917% (June 30, 2008 ~ July 30, 2008)

(*) Interest rate on and after July 31, 2008 will be announced when it is determined.

Disclaimer

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