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For Immediate Release

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

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Notice Concerning the Execution and the Repayment of Short-term Borrowings

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute new short-term borrowings. The details are as follows.

1. The Execution of Short-term Borrowings

(1) Rational

To appropriate for the new property acquisition.

(2) Details

- ① Drawdown Date : December 16, 2008
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rate: See accompanying table

Lenders	Amount	Maturity Date	Interest Rate (*)
Sumitomo Mitsui Banking Corporation	¥10,100 Million	June 16, 2009	1.42583% (*1) (Dec 16, 2008 ~ Jan 15, 2009)
Mitsubishi UFJ Trust and Banking Corporation	¥2,000 Million	June 16, 2009	1.42583% (*2) (Dec 16, 2008 ~ Jan 15, 2009)

(*1) Interest rate on and after January 16, 2009 will be announced when it is determined.

(*2) Interest rate on and after January 16, 2009 will be announced when it is determined.

Translation Purpose Only

2. Change in the balance of borrowings

	Before This execution	After This execution	Variance
Short-term Borrowings	¥ 28,400 Million	¥ 40,500 Million	+ ¥ 12,100 Million
Borrowings Total	¥ 28,400 Million	¥ 40,500 Million	+ ¥ 12,100 Million

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/>

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