

**Translation Purpose Only**

December 17, 2008

**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 short-term borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowings on December 19, 2008. Details are provided below.

## 1. The Execution of Short-term Borrowings

## (1) Rational

To appropriate for the repayment of short-term borrowings as of September 19, 2008.

## (2) Details

- ① Drawdown Date : December 19, 2008
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rate

Lenders	Amount	Maturity Date	Interest Rate
Sumitomo Mitsui Banking Corporation	¥7,500 Million	June 30, 2009	1.32000%(*1) (December 19, 2008 ~ January 18, 2009)
	¥7,500 Million	December 21, 2009	1.45000%(*1) (December 19, 2008 ~ January 18, 2009)
Mizuho Corporate Bank, Ltd.	¥3,800 Million	April 20, 2009	1.35167% (December 19, 2008 ~ April 19, 2009)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥2,200 Million	March 13, 2009	1.34083% (December 19, 2008 ~ March 12, 2009)
Mitsubishi UFJ Trust and Banking Corporation	¥1,700 Million	November 19, 2009	1.48250% (December 19, 2008 ~ November 18, 2009)
The Sumitomo Trust & Banking Co., Ltd.	¥1,000 Million	December 21, 2009	1.48250%(*2) (December 19, 2008 ~ June 18, 2009)
	¥700 Million	March 10, 2009	1.33762% (December 19, 2008 ~ March 9, 2009)

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The Chuo Mitsui Trust and Banking Company, Limited	¥1,000 Million	December 21, 2009	1.48250%(*2) (December 19, 2008 ~ June 18, 2009)
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(\*1) Interest rate on and after January 19, 2008 will be announced when it is determined.

(\*2) Interest rate on and after June 19, 2008 will be announced when it is determined.

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### 2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on December 19, 2008 are as follows.

<b>Lenders</b>	<b>Borrowing Amount</b>	<b>Drawdown Date</b>	<b>Maturity Date</b>	<b>Repayment of Principal</b>	<b>Loan Type</b>
Sumitomo Mitsui Banking Corporation	¥15,000 Million	September 19, 2008	December 19, 2008	Payment in full on the maturity date	Unsecured Unguaranteed
Mizuho Corporate Bank, Ltd.	¥3,800 Million				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥2,200 Million				
Mitsubishi UFJ Trust and Banking Corporation	¥1,700 Million				
The Sumitomo Trust & Banking Co., Ltd.	¥1,700 Million				
The Chuo Mitsui Trust and Banking Company, Limited	¥1,000 Million				

### 3. Change in the balance of borrowings

	<b>Before Additional Borrowings</b>	<b>After Additional Borrowings</b>	<b>Variance</b>
Short-term Borrowings	¥ 40,500 Million	¥ 40,500 Million	—
Borrowings Total	¥ 40,500 Million	¥ 40,500 Million	—

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

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