

Translation Purpose Only

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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 short-term borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowings on January 15, 2009. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Rational

To appropriate for the repayment of short-term borrowings executed on October 15, 2008 from The Chuo Mitsui Trust and Banking Company, Limited.

(2) Details

- ① Drawdown Date : January 15, 2009
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rate : See accompanying table

Lenders	Amount	Maturity Date	Interest Rate
The Chuo Mitsui Trust and Banking Company, Limited	¥2,000 Million	July 31, 2009	0.88667%(*1) (January 15, 2009 ~ February 15, 2009)
	¥1,000 Million	January 15, 2010	1.33667%(*2) (January 15, 2009 ~ July 14, 2009)

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

(*2) Interest rate on and after July 15, 2009 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 January 15, 2009 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
The Chuo Mitsui Trust and Banking Company, Limited	¥3,000 Million	October 15, 2008	January 15, 2009	Payment in full on the maturity date	Unsecured Unguaranteed

3. Change in the balance of borrowings

	Before Additional Borrowings	After Additional Borrowings	Variance
Short-term Borrowings	¥ 42,000 Million	¥ 42,000 Million	—
Borrowings Total	¥ 42,000 Million	¥ 42,000 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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