

January 15, 2009

**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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**Notice Concerning Short-term Borrowings Interest Rate**

Frontier Real Estate Investment Corporation today announced the interest rate applicable to short-term borrowings executed on December 19, 2008.

Lenders	Drawdown Amount	Interest rate(*)	Drawdown date	Maturity Date
Sumitomo Mitsui Banking Corporation	¥7,500 Million	<b>0.87833% (*)</b> <b>(Jan 19, 2009~ Feb 18, 2009)</b>	December 19, 2008	June 30, 2009
	¥7,500 Million	<b>1.00833% (*)</b> <b>(Jan 19, 2009~ Feb 18, 2009)</b>	December 19, 2008	December 21, 2009

(\*) interest rate on and after February 19, 2009 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/>

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