

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 Borrowings

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute Long-term borrowing. The Investment Corporation, additionally, announces it would repay short-term borrowing before its due date on February 19, 2009. Details are provided below.

1. The Execution of Short-term Borrowing**(1) Rational**

To appropriate for the repayment of short-term borrowing executed on December 19, 2008 from Sumitomo Mitsui Banking Corporation.

(2) Details

- ① Drawdown Date : February 19, 2009
- 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	¥6,000 Million	February 20, 2012	not yet determined

* Interest rate applicable to this borrowing will be announced when it is determined.

2. Outline of the repayment before its due date.**(1) Details of the repayment**

Lenders	Repayment Amount	Repayment Resource
Sumitomo Mitsui Banking Corporation	¥6,000 Million	New Borrowing

※There are no break-funding costs upon this repayment.

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(2) Details of the original borrowing to be repaid before its due date.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Loan Type
Sumitomo Mitsui Banking Corporation	¥7,500 Million	December 19, 2008	June 30, 2009	Unsecured Unguaranteed

3. Change in the balance of borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 39,500 Million	¥ 33,500 Million	△ ¥ 6,000 Million
Long-term Borrowings	¥ 4,200 Million	¥ 10,200 Million	+ ¥ 6,000 Million
Borrowings Total	¥ 43,700 Million	¥ 43,700 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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