

Translation Purpose Only

June 12, 2009

For Immediate Release

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

Asset Management Company:
Mitsui Fudosan Frontier REIT Management Inc.
Yoshiyuki Tanabe
Chief Executive Officer and Representative Director

Inquiries:
Mitsui Fudosan Frontier REIT Management Inc.
Tatsu Makino
Vice President, Finance Division and Director
Tel: +81-3-3588-1440

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 borrowing. The Investment Corporation, additionally, announces it would repay short-term borrowing on June 16, 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 16, 2008 from Sumitomo Mitsui Banking Corporation.

- ① Drawdown Date : June 16, 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	¥6,600 Million	June 16, 2010	0.89364% (June 16, 2009 ~ July 15, 2009)

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

Translation Purpose Only

2. The Repayment of Short-term Borrowing

Details of the repayment of short-term borrowing on June 16, 2009 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Mitsui Banking Corporation	¥6,600 Million	December 16, 2008	June 16, 2009	Payment in full on the maturity date	Unsecured Unguaranteed

3. Change in the balance of borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 29,300 Million	¥ 29,300 Million	—
Long-term Borrowings	¥ 14,400 Million	¥ 14,400 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/>

Disclaimer

This information was originally publicized in the original Japanese language and has been translated for reference purposes only. Frontier Real Estate Investment Corporation guarantees neither the completeness nor the accuracy of this English translation. For complete and accurate information, please refer to the press release in Japanese. In addition, this press release is not prepared as an inducement or invitation for investment. All readers are advised to consult their own investment advisors before investing in the Investment Corporation. Investment decisions are made at the investor's sole discretion and responsibility and are made at their own risk. The Investment Corporation and its affiliates disclaim any responsibility or liability for the consequence of investment in the Investment Corporation.