

July 13, 2009

**For Immediate Release**

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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 executed on April 13, 2009. Details are provided below.

1. The Execution of Long-term Borrowing

(1) Rational

To appropriate for the repayment of short-term borrowing executed on April 13, 2009 from Mizuho Corporate Bank, Ltd.

(2) Details

- |                      |   |
|----------------------|---|
| ① Lender             | : Development Bank of Japan Inc.  |
| ② Amount             | : ¥1,500 Million  |
| ③ Interest Rate      | : 1.98% (fixed)   |
| ④ Drawdown Date      | : July 13, 2009   |
| ⑤ Repayment Schedule | : 14 Semi-annual installments (at the end of March and September)<br>starting from March 31, 2010 and ending on July 12, 2016 |
| ⑥ Repayment Amount   | : ¥30 million each (1st to 13th) and ¥1,110 million at the final installment.   |
| ⑦ Loan Type          | : Unsecured, Unguaranteed   |

## **Translation Purpose Only**

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

Details of the repayment of short-term borrowing on July 13, 2009 are as below.

<b>Lender</b>	<b>Borrowing Amount</b>	<b>Drawdown Date</b>	<b>Maturity Date</b>	<b>Repayment of Principal</b>	<b>Loan Type</b>
Mizuho Corporate Bank, Ltd.	¥1,500 Million	April 13, 2009	July 13, 2009	Payment in full on the maturity date	Unsecured Unguaranteed

### 3. Change in the balance of borrowings

	<b>Before This refinance</b>	<b>After This refinance</b>	<b>Variance</b>
Short-term Borrowings	¥ 29,300 Million	¥ 27,800 Million	△ ¥ 1,500 Million
Long-term Borrowings	¥ 14,400 Million	¥ 15,900 Million	+ ¥ 1,500 Million
Borrowings Total	¥ 43,700 Million	¥ 43,700 Million	—

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

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