

Translation Purpose Only

January 19, 2010

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 borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowings on January 21, 2010. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Rational

To appropriate for the repayment of short-term borrowings as of December 18, 2009 and December 21, 2009.

(2) Details

- ① Drawdown Date : January 21, 2010
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rate

Lenders	Amount	Maturity Date	Interest Rate(*)
Sumitomo Mitsui Banking Corporation	¥3,000 Million	June 30, 2010	0.75363% (January 21, 2010 ~ February 18, 2010)
	¥4,500 Million	September 21, 2010	0.75363% (January 21, 2010 ~ February 18, 2010)
The Chuo Mitsui Trust and Banking Company, Limited	¥2,000 Million	July 20, 2010	0.75363% (January 21, 2010 ~ February 18, 2010)

(*) Interest rates on and after February 19, 2010 will be announced when they are determined.

Translation Purpose Only

2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on January 21, 2010 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Mitsui Banking Corporation	¥7,500 Million	December 21, 2009	January 21, 2010	Payment in full on the maturity date	Unsecured Unguaranteed
The Chuo Mitsui Trust and Banking Company, Limited	¥1,000 Million	December 18, 2009			
	¥1,000 Million	December 21, 2009			

3. Change in the balance of borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 20,200 Million	¥ 20,200 Million	—
Long-term Borrowings	¥ 24,360 Million	¥ 24,360 Million	—
Borrowings Total	¥ 44,560 Million	¥ 44,560 Million	—

(*) Long-term Borrowings include the balance of borrowings due within one year.

4. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks” description in the latest securities report submitted on September 29, 2009.

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.