

Translation Purpose Only

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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 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 borrowings on June 10, 2010. Details are provided below.

1. The Execution of Short-term Borrowing

(1) Rational

To appropriate for the repayment of short-term borrowing executed on March 10, 2010 and on March 23, 2010.

(2) Details

- ① Drawdown Date : June 10, 2010
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lender, Amount, Maturity Date and Interest Rate : See accompanying table

Lender	Amount	Maturity Date	Interest Rate (*)
Sumitomo Trust & Banking Co., Ltd.	¥1,700 Million	September 21, 2010	0.66542% (June 10, 2010 ~ July 19, 2010)

(*) Interest rate on and after July 20, 2010 will be announced when it is determined.

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2. The Repayment of Short-term Borrowing

Details of the repayment of short-term borrowing on June 10, 2010 are as below.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Trust & Banking Co., Ltd.	¥700 Million	March 10, 2010	June 10, 2010	Payment in full on the maturity date	Unsecured Unguaranteed
	¥1,000 Million	March 23, 2010			

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	¥ 24,200 Million	¥ 24,200 Million	—
Borrowings Total	¥ 44,400 Million	¥ 44,400 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 March 25, 2010.

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

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