

Translation Purpose Only

July 15, 2010

For Immediate Release

6-8-7 Ginza, Chuo-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 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 July 20, 2010. Details are provided below.

1. The Execution of Short-term Borrowing

(1) Rational

To appropriate for the repayment of short-term borrowings executed on January 15, 2010 and on January 21, 2010.

(2) Details

- ① Drawdown Date : July 20, 2010
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lender, Amount, Maturity Date and Interest Rate : See accompanying table

Lender	Amount	Maturity Date	Interest Rate (*)
The Chuo Mitsui Trust & Banking Company, Limited	¥3,000 Million	October 19, 2010	0.67231% (July 20, 2010 ~ August 18, 2010)

(*) Interest rate on and after August 19, 2010 will be announced when it is determined.

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2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on June 30, 2010 are as below.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
The Chuo Mitsui Trust & Banking Company, Limited	¥1,000 Million	January 15, 2010	July 20, 2010	Payment in full on the maturity date	Unsecured Unguaranteed
	¥2,000 Million	January 21, 2010			

3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 23,700 Million	¥ 23,700 Million	—
Long-term Borrowings	¥ 30,700 Million	¥ 30,700 Million	—
Borrowings Total	¥ 54,400 Million	¥ 54,400 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 registration statement submitted on June 14, 2010.

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

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