

Translation for Reference Purposes Only

July 23, 2010

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 Decision on the Number of Units to be Issued with Regard to the Issue of New Investment Units by Third-Party Allocation

Frontier Real Estate Investment Corporation (the "Investment Corporation" or "FRI") hereby provides notice that, concerning the issue of new investment units ("Units") by third-party allotment decided upon with the issue of new investment units by public offering and the secondary offering of investment units by over-allotment by resolution at Board of Directors' Meetings held on June 14, 2010 and on June 22, 2010, notification was received today from the allottee regarding the subscription for all of units planned to be issued.

(1) Number of New Units to be Issued	2,000 units (Number of units planned to be issued: 2,000 units)
(2) Allottee and Number of Units to be Allotted	Nikko Cordial Securities Inc. / 2,000 units
(3) Paid-in Amount (Issue Value)	¥1,145,744,000 (¥572,872 per unit)
(4) Subscription Period (Subscription Date)	July 27, 2010 (Tuesday)
(5) Payment Date	July 28, 2010 (Wednesday)

<Reference>

1. The issuance of new units by third-party allocation stated above was decided upon with the issuance of new investment units by public offering and the secondary offering of units by over-allotment by resolution at Board of Directors' Meetings held on June 14, 2010 and on June 22, 2010.

For details regarding the third-party allocation, please refer to "Notice Concerning Issue of New Investment Units and Secondary Offering" released on June 14, 2010 and "Notice of Decision of Price etc. Concerning New Investment and Secondary Offering" released on June 22, 2010.

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2. Change in the Total Number of Issued Units by this Issuance by Third-Party Allocation

Total Number of Issued Units at Present	192,000 units
Increase in the Number of Units by this Issuance	2,000 units
Total Number of Issued Units after Third-Party Allocation	194,000 units

3. Use of Procured Funds by this Issuance by Third-Party Allocation

The new balance for this third-party allocation (¥1,145,744,000) will be allocated for the partial repayment of borrowings.

- 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/>

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