

August 17, 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 Short-term Borrowings Interest Rates**

Frontier Real Estate Investment Corporation today announced the interest rates applicable to the following short-term borrowings.

Lender	Drawdown amount	Interest rates	Drawdown date	Maturity date
Sumitomo Mitsui Banking Corporation	¥4,500 Million	0.70923% (August 19, 2010 ~ September 20, 2010)	January 21, 2010	September 21, 2010
	¥4,500 Million	0.66923%(*) (August 19, 2010 ~ September 20, 2010)	June 30, 2010	December 20, 2010
The Chuo Mitsui Trust & Banking Company, Limited	¥3,000 Million	0.66923%(*) (August 19, 2010 ~ September 20, 2010)	July 20, 2010	October 19, 2010
	¥500 Million	0.62923%(*) (August 19, 2010 ~ September 20, 2010)	July 2, 2010	June 20, 2011
Mizuho Corporate Bank, Ltd.	¥2,300 Million	0.66923%(*) (August 19, 2010 ~ September 20, 2010)	June 21, 2010	October 19, 2010
	¥1,000 Million	0.62923%(*) (August 19, 2010 ~ September 20, 2010)	July 2, 2010	January 19, 2011
The Sumitomo Trust & Banking Co., Ltd.	¥1,700 Million	0.62923% (August 19, 2010 ~ September 20, 2010)	June 10, 2010	September 21, 2010
Mitsubishi UFJ Trust and Banking Corporation	¥1,000 Million	0.62923%(*) (August 19, 2010 ~ September 20, 2010)	July 2, 2010	January 19, 2011
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥1,000 Million	0.62923%(*) (August 19, 2010 ~ September 20, 2010)	July 2, 2010	June 20, 2011

(\* ) Interest rates on and after September 21, 2010 will be announced when they are determined.

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

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