

October 12, 2010

For Immediate Release

6-8-7 Ginza, Chuo-ku, Tokyo
Frontier Real Estate Investment Corporation
Hirohiko Kamei, Executive Director
(Securities Code : 8964)

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Notice Concerning Partial Property Sale (MYCAL Ibaraki)

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has sold a part of MICAL Ibaraki. Details are provided below.

1. Details of Sale

- | | | |
|-----|------------------|--|
| (1) | Asset Type | : Real estate (partial land) |
| (2) | Property Name | : MYCAL Ibaraki (partial land) |
| (3) | Area of the Land | : 118.86 m ² |
| (4) | Sale Price | : ¥19,516,812 |
| (5) | Book Value | : ¥15,352,947(*) |
| (6) | Delivery Date | : October 12, 2010 |
| (7) | Buyer | : Ibaraki City Land Development Corporation |
| (8) | Sale Method | : Partial cancellation of trust agreement of MYCAL Ibaraki as trust asset,
followed by the partial sale of property as real estate (land) |

(*) The figure shows the amount calculated based on the property's land book value divided in proportion to area of the land sold

2. Rational for Sale

The neighboring land of MYCAL Ibaraki has been subjected to the commercial land used for the city planning project called "City Planning Road Ibaraki Matsugamoto Line." The project had launched on March 23, 1960 and the development of the neighboring land (both above-ground and underground) had been approved as commercial land for the project as of February 7, 2003. In this context, the Investment Corporation had been contacted by and negotiating with Ibaraki City regarding the partial sale of land used for the stair case between Ibaraki Matsugamoto Road and above-ground area. Recently, the Investment Corporation and Ibaraki City reached agreement regarding sale of land, and as a consequence, the Investment Corporation sold the land to Ibaraki City.

Translation Purpose Only

3. Buyer Profile

Name	Ibaraki City Land Development Corporation
Buyer's Relationship with the Investment Corporation and/or the Asset Management Company	Not Applicable

4. Operating Forecast

Since the forementioned sale of property has little impact on the asset management status, there is no change in the operating forecast for the thirteenth fiscal period ending December 31, 2010.

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

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