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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 of Long-term and Short-term Borrowings 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 and long-term borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowings on June 20, 2011. Details are provided below.

1. The Execution of Short-term and Long-term Borrowings

(1) Rational

To appropriate for the repayment of short-term borrowings as of July 2, 2010, February 16, 2011, February 21, 2011, and May 19, 2011.

(2) Details

- ① Drawdown Date : June 20, 2011
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rates:

Lenders	Amount	Maturity Date	Interest Rate
Mitsubishi UFJ Trust and Banking Corporation	¥2,000 Million	June 20, 2018	1.27750% (Interest rate is fixed until the maturity date)
	¥1,700 Million	August 19, 2011	0.48000%(*1) (June 20, 2011 ~ July 18, 2011)
The Chuo Mitsui Trust & Banking Company, Limited	¥2,500 Million	July 19, 2011	0.58000% (June 20, 2011 ~ July 18, 2011)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥1,000 Million	August 19, 2011	0.48000%(*1) (June 20, 2011 ~ July 18, 2011)
Mizuho Corporate Bank, Ltd.	¥1,300 Million	August 19, 2011	0.48000%(*1) (June 20, 2011 ~ July 18, 2011)

(\*1) Interest rate on and after July 19, 2011 will be announced when it is determined.

## Translation Purpose Only

### 2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on June 20, 2011 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mitsubishi UFJ Trust and Banking Corporation	¥2,200 Million	February 21, 2011	June 20, 2011	Payment in full on the maturity date	Unsecured Unguaranteed
	¥2,000 Million	February 16, 2011			
The Chuo Mitsui Trust & Banking Company, Limited	¥2,000 Million	May 19, 2011			
	¥500 Million	July 2, 2010			
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥1,000 Million	July 2, 2010			
Mizuho Corporate Bank, Ltd.	¥800 Million	May 19, 2011			

### 3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 18,700 Million	¥ 14,700 Million(*1)	-4,000 Million
Long-term Borrowings	¥ 42,380 Million	¥ 46,380 Million(*1)	+4,000 Million
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	—
Borrowings Total	¥ 66,080 Million	¥ 66,080 Million	—

(\*1) Borrowing and repayment stated in the press release "Notice Concerning the Execution of Long-term Borrowing and the Partial Prepayment of Short-term Borrowings" announced on June 16, 2011 is included.

(\*2) 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 March 25, 2011.

## **Translation Purpose Only**

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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