

Translation Purpose Only

August 17, 2015

To All Concerned Parties

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

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**Notice Concerning the Execution of Short-term Borrowing and
 the Repayment of Long-term and 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 long-term and short-term borrowings on August 19, 2015. Details are provided below.

1. The Execution of Short-term Borrowing

(1) Rational

To appropriate for the repayment of long-term borrowing as July 23, 2012 and short-term borrowing as of June 19, 2015.

(2) Details

- ① Drawdown Date : August 19, 2015
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lender, Amount, Maturity Date and Interest Rate:

Lender	Amount	Maturity Date	Interest Rate
Mizuho Bank, Ltd.	¥2,000 Million	November 19, 2015	0.17000%(*) (August 19, 2015 ~ September 24, 2015)

(*Interest rate on and after September 24, 2015 will be announced when they are determined.

2. The Repayment of Long-term and Short-term Borrowings

Details of the repayment of long-term and short-term borrowings on August 19, 2015 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥1,500 Million	July 23, 2012	August 19, 2015	Payment in full on the maturity date	Unsecured Unguaranteed
	¥500 Million	June 19, 2015	August 19, 2015		

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3. Change in the Balance of Borrowings

(Unit : ¥Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	3,500	5,000	+1,500
Long-term Borrowings	68,680	67,180	-1,500
Investment Corporation Bonds	5,000	5,000	-
Borrowings Total	77,180	77,180	-

(*) 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 26, 2015.

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

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