

Translation Purpose Only

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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 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 borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowings on November 21, 2011. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Rational

To appropriate for the repayment of short-term borrowings as of August 19, 2011.

(2) Details

- ① Drawdown Date : November 21, 2011
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rates:

Lenders	Amount	Maturity Date	Interest Rate
Sumitomo Mitsui Banking Corporation	¥2,000 Million	February 20, 2012	0.43000%(*) (November 21, 2011 ~ December 18, 2011)
Mitsubishi UFJ Trust and Banking Corporation	¥1,700 Million	December 19, 2011	0.43000% (November 21, 2011 ~ December 18, 2011)
Mizuho Corporate Bank, Ltd.	¥1,300 Million	February 20, 2012	0.43000%(*) (November 21, 2011 ~ December 18, 2011)

(*) Interest rates on and after December 19, 2011 will be announced when they are determined.

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2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on November 21, 2011 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Mitsui Banking Corporation	¥2,000 Million	August 19, 2011	November 21, 2011	Payment in full on the maturity date	Unsecured Unguaranteed
Mitsubishi UFJ Trust and Banking Corporation	¥1,700 Million	August 19, 2011			
Mizuho Corporate Bank, Ltd.	¥1,300 Million	August 19, 2011			

3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 14,200 Million	¥ 14,200 Million	—
Long-term Borrowings	¥ 47,220 Million	¥ 47,220 Million	—
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	—
Borrowings Total	¥ 66,420Million	¥ 66,420Million	—

(*) 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 September 28, 2011.

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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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