

**Translation Purpose Only**

May 17, 2016

**To All Concerned Parties**

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

Asset Management Company:  
Mitsui Fudosan Frontier REIT Management Inc.  
Hiroshi Tanaka  
Chief Executive Officer and Representative Director

Inquiries:  
Mitsui Fudosan Frontier REIT Management Inc.  
Akiko Kaito  
Chief Finance Officer and Director  
Tel: +81-3-3289-0440

**Notice Concerning the Execution of Short-term Borrowings,  
and the Repayment of Short-term Borrowing**

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 borrowing on May 19, 2016. Details are provided below.

**1. The Execution of Short-term Borrowings****(1) Purpose**

To appropriate for the repayment of short-term borrowing as of April 19, 2016.

**(2) Details**

- ① Drawdown Date : May 19, 2016
- 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	June 20, 2016	0.07455% (Interest Rate is fixed until the maturity date.)
The 77 Bank, Ltd.	¥1,000 Million	June 20, 2016	0.06455% (Interest Rate is fixed until the maturity date.)

**2. The Repayment of Short-term Borrowing**

Details of the repayment of short-term borrowing on May 19, 2016 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥3,000 Million	April 19, 2016	May 19, 2016	Payment in full on the maturity date	Unsecured Unguaranteed

### 3. Change in the Balance of Borrowings

(Unit : ¥Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	3,000	3,000	—
Long-term Borrowings	75,840	75,840	—
Borrowings Total	78,840	78,840	—

(\*) 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 29, 2016.

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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