

Translation Purpose Only

July 14, 2016

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 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 July 19, 2016. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Purpose

To appropriate for the repayment of short-term borrowings as of June 20, 2016.

(2) Details

- ① Drawdown Date : July 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	August 19, 2016	0.07182% (Interest Rate is fixed until the maturity date.)
The 77 Bank, Ltd.	¥1,000 Million	August 19, 2016	0.06182% (Interest Rate is fixed until the maturity date.)

2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on July 19, 2016 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥2,000 Million	June 20, 2016	July 19, 2016	Payment in full on the maturity date	Unsecured Unguaranteed
The 77 Bank, Ltd.	¥1,000 Million				

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	71,400	71,400	—
Borrowings Total	74,400	74,400	—

(*) 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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