

Translation Purpose Only

September 16, 2010

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 September 21, 2010. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Rational

To appropriate for the repayment of short-term borrowings as of January 21, 2010 and June 10, 2010.

(2) Details

- ① Drawdown Date : September 21, 2010
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rate

Lenders	Amount	Maturity Date	Interest Rate(*)
Sumitomo Mitsui Banking Corporation	¥4,500 Million	April 19, 2011	0.61000% (September 21, 2010 ~ October 18, 2010)
The Sumitomo Trust & Banking Co., Ltd.	¥1,700 Million	December 20, 2010	0.61000% (September 21, 2010 ~ October 18, 2010)

(*) Interest rates on and after October 19, 2010 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 September 21, 2010 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Mitsui Banking Corporation	¥4,500 Million	January 21, 2010	September 21, 2010	Payment in full on the maturity date	Unsecured Unguaranteed
The Sumitomo Trust & Banking Co., Ltd.	¥1,700 Million	June 10, 2010			

3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 23,700 Million	¥ 23,700 Million	—
Long-term Borrowings	¥ 30,700 Million	¥ 30,700 Million	—
Borrowings Total	¥ 54,400 Million	¥ 54,400 Million	—

(*) 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 June 14, 2010.

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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