

Translation Purpose Only

July 17, 2013

For Immediate Release

6-8-7 Ginza, Chuo-ku, Tokyo
Frontier Real Estate Investment Corporation
Hirohiko Kamei, 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.
Tatsu Makino
Vice President, Finance Division and Director
Tel: +81-3-3289-0440

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, 2013. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Rational

To appropriate for the repayment of short-term borrowings as of June 19, 2013 and July 16, 2013.

(2) Details

- ① Drawdown Date : July 19, 2013
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rate:

Lenders	Amount	Maturity Date	Interest Rate
Sumitomo Mitsui Banking Corporation	¥3,000 Million	August 19, 2013	0.30000% (Interest Rate is fixed until the maturity date.)
	¥1,500 Million	August 19, 2013	0.30000% (Interest Rate is fixed until the maturity date.)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥2,200 Million	August 19, 2013	0.35000% (Interest Rate is fixed until the maturity date.)

Translation Purpose Only

2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on July 19, 2013 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Mitsui Banking Corporation	¥3,000 Million	June 19, 2013	July 19, 2013	Payment in full on the maturity date	Unsecured Unguaranteed
	¥1,500 Million	July 16, 2013			
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥2,200 Million	June 19, 2013			

3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 8,200 Million	¥ 8,200 Million	—
Long-term Borrowings	¥ 58,840 Million	¥ 58,840 Million	—
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	—
Borrowings Total	¥ 72,040 Million	¥ 72,040 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 March 27, 2013.

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/>

Translation Purpose Only

Disclaimer

This information was originally publicized in the original Japanese language and has been translated for reference purposes only. Frontier Real Estate Investment Corporation guarantees neither the completeness nor the accuracy of this English translation. For complete and accurate information, please refer to the press release in Japanese. In addition, this press release is not prepared as an inducement or invitation for investment. All readers are advised to consult their own investment advisors before investing in the Investment Corporation. Investment decisions are made at the investor's sole discretion and responsibility and are made at their own risk. The Investment Corporation and its affiliates disclaim any responsibility or liability for the consequence of investment in the Investment Corporation.