

Translation Purpose Only

January 14, 2011

For Immediate Release

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

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Notice Concerning the Execution of New Borrowings

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute a new borrowing. Details are provided below.

1. Rational

To appropriate for the payment of newly acquired property (Shimura Shopping Center).

2. The Execution of Long-term Borrowings

(1) Details of Long-term Borrowings

① Drawdown Date : January 18, 2011

② Loan Type : Unsecured, Unguaranteed

③ Lenders, Amount, Maturity Dates and Interest Rates : See accompanying table

Lender	Amount	Maturity Date	Interest Rate (*)
The Norinchukin Bank	¥2,000 Million	July 18, 2013	0.76117%
The Norinchukin Bank	¥1,000 Million	January 7, 2015	0.92375%

(*) Interest rate is fixed until the maturity date.

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3. Change in the balance of borrowings

	Before This Financing	After This Financing	Variance
Short-term Borrowings	¥ 21,200 Million	¥ 21,200 Million	—
Long-term Borrowings	¥ 33,040 Million	¥ 36,040 Million	+3,000 Million
Borrowings Total	¥ 54,240 Million	¥ 57,240 Million	+3,000 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 September 29, 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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