

Translation Purpose Only

April 15, 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 of Short-term and Long-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 and long-term borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowing on April 19, 2016. Details are provided below.

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

To appropriate for the repayment of short-term borrowing as of March 22, 2016.

(2) Details

- ① Drawdown Date : April 19, 2016
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lender, Amount, Maturity Date and Interest Rate:

Lender	Amount	Maturity Date	Interest Rate
Mizuho Bank, Ltd.	¥3,000 Million	May 19, 2016	0.11182% (Interest Rate is fixed until the maturity date.)
Development Bank of Japan Inc.	¥1,000 Million	July 20, 2027	0.37190% (Interest Rate is fixed until the maturity date.)

2. The Repayment of Short-term Borrowing

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

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥4,000 Million	March 22, 2016	April 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	4,000	3,000	-1,000
Long-term Borrowings	74,840	75,840	+1,000
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.

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Frontier Real Estate Investment website: <http://www.frontier-reit.co.jp/eng/>

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