

Translation Purpose Only

January 17, 2017

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 January 19, 2017. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Purpose

To appropriate for the repayment of short-term borrowings as of December 19, 2016.

(2) Details

- ① Drawdown Date : January 19, 2017
- ② Repayment of Principal : Payment in full on the maturity date
- ③ Loan Type : Unsecured, Unguaranteed
- ④ Lender, Amount, Maturity Date and Interest Rate:

Lender	Amount	Maturity Date	Interest Rate
Mizuho Bank, Ltd.	¥3,000 Million	February 20, 2017	0.06000% (Interest Rate is fixed until the maturity date.)
The 77 Bank, Ltd.	¥1,000 Million	February 20, 2017	0.06000% (Interest Rate is fixed until the maturity date.)
THE BANK OF FUKUOKA, LTD.	¥1,000 Million	February 20, 2017	0.06000% (Interest Rate is fixed until the maturity date.)

2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on January 19, 2017 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥3,000 Million	December 19, 2016	January 19, 2017	Payment in full on the maturity date	Unsecured Unguaranteed
The 77 Bank, Ltd.	¥1,000 Million				
THE BANK OF FUKUOKA, LTD.	¥1,000 Million				

3. Change in the Balance of Borrowings

(Unit : ¥Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	5,000	5,000	—
Long-term Borrowings	78,400	78,400	—
Investment Corporation Bonds	3,000	3,000	—
Borrowings Total	86,400	86,400	—

(*) 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 September 28, 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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