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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 Short-term and Long-term Borrowings Interest Rate

Frontier Real Estate Investment Corporation today announced the interest rates applicable to the following short-term and long-term borrowings.

| Lenders | Drawdown amount | Interest rate | Drawdown date | Maturity date |
|--|-----------------|--|--------------------|-------------------|
| Sumitomo Mitsui Banking Corporation | ¥3,500 Million | 0.35500% (November 19, 2012 ~ December 18, 2012) | October 19, 2012 | December 19, 2012 |
| | ¥1,000 Million | 0.35500% (November 19, 2012 ~ December 18, 2012) | October 19, 2012 | December 19, 2012 |
| | ¥1,000 Million | 0.33000%(*) (November 19, 2012 ~ December 18, 2012) | September 19, 2012 | April 19, 2013 |
| Sumitomo Mitsui Trust Bank, Limited | ¥3,000 Million | 0.38000%(*) (November 19, 2012 ~ December 18, 2012) | January 19, 2012 | January 18, 2013 |
| | ¥1,000 Million | 0.35500%(*) (November 19, 2012 ~ December 18, 2012) | October 19, 2012 | January 21, 2013 |
| Mitsubishi UFJ Trust and Banking Corporation | ¥2,000 Million | 0.40500%(*) (November 19, 2012 ~ December 18, 2012) | January 16, 2012 | November 19, 2014 |
| | ¥1,200 Million | 0.35500%(*) (November 19, 2012 ~ December 18, 2012) | August 20, 2012 | February 19, 2013 |
| Mizuho Corporate Bank, Ltd. | ¥1,300 Million | 0.34500%(*) (November 19, 2012 ~ December 18, 2012) | July 19, 2012 | July 22, 2014 |
| | ¥1,500 Million | 0.35500%(*) (November 19, 2012 ~ December 18, 2012) | July 23, 2012 | August 19, 2015 |
| The Bank of Tokyo-Mitsubishi UFJ, Ltd. | ¥500 Million | 0.38000%(*) (November 19, 2012 ~ December 18, 2012) | February 24, 2012 | February 22, 2013 |

(*) Interest rate on and after December 19, 2012 will be announced when they are determined.

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

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