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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 Obtainment of Preferential Negotiation Right for  
Acquisition of Investment Asset**

Frontier Real Estate Investment Corporation (the “Investment Corporation”) today announced that it has obtained the preferential negotiation right for the acquisition of “Mitsui Shopping Park LaLaport SHIN-MISATO”. Brief details are as follows.

1. Details of preferential negotiation right for the acquisition of investment asset

In tandem with the acquisition of “Mitsui Shopping Park LaLaport SHIN-MISATO Annex ”, which the Investment Corporation plans to acquire as announced in the “Notice Concerning Acquisition of Investment Asset” dated today, the Investment Corporation has been granted the preferential negotiation right for property acquisitions for the following property.

Contract	Basic Agreement Concerning Property Disposition ( “the Agreement” )
Counterparty	Mitsui Fudosan Co., Lt
Property Name	Mitsui Shopping Park LaLaport SHIN-MISATO
Location	Misato-shi, Saitama
Preferential negotiation right validity expiration date	March 31, 2017

The acquisition price, acquisition date, etc. for the abovementioned property have yet to be determined. The Investment Corporation will perform the necessary due diligence when considering property acquisitions and make appropriate decisions in line with the Asset Management Company’s Interested-Party Transaction Guidelines. Please note, however, that although the Investment Corporation has been granted the preferential negotiation right to acquire the abovementioned property, it is not guaranteed that it will be able to acquire the abovementioned property without fail.

In addition, in the event that “Mitsui Shopping Park LaLaport SHIN-MISATO Annex” is not acquired, the Agreement shall end as a matter of course and the preferential negotiation right shall expire. Please refer to Attachment 1 for the property overview and other details.

## Translation for Reference Purpose Only

### 2. Features of the Property

The Property is one of the ten regional shopping centers in Japan representative of the LaLaport series developed and operated by Mitsui Fudosan Co., Ltd. and its opening in September 2009 makes it the latest facility. With tenants totaling 178 stores in an array of business categories, including anchor tenants Mujirushi Ryohin, Loft, Akachan Honpo and other clothing and variety stores, electronics store EDION, furniture store Nitori and amusement complex Round One, the Property is a facility that is highly capable of attracting customers. In addition, Hollister from South California in the U.S. joined several other fast fashion brands that have set up stores in the Property, such as H&M, Zara and UNIQLO, with the opening of its second store in Japan in December 2013, further enriching the lineup of popular stores and setting the Property apart from the competition.

“SHIN-MISATO LaLa City,” where the Property is located, also comprises the ANNEX that the Investment Corporation announced the acquisition of today, as well as IKEA Shinmisato and Costco Wholesale Shinmisato Warehouse that are linked by free shuttle bus, and is also connected to Shin-Misato Station on the JR Musashino Line by a pedestrian deck, forming one of Japan’s largest commercial clusters in the station vicinity.

### Attachments

#### 1. Summary of Property with preferential negotiation right

- 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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Attachment 1: Summary of Property with preferential negotiation right

Property Name	Mitsui Shopping Park LaLaport SHIN-MISATO
Location	3-1-1, LaLa City, Shin Misato, Misato-shi, Saitama
Lot Area	86,520.83m <sup>2</sup> (registered)
Gross Floor Area	136,161.36m <sup>2</sup> (registered)
Construction Completion Date	August, 2009
Opening Date	September, 2009
Number of Tenants	178 tenants

