

Translation Purpose Only

February 22, 2017

To All Concerned Parties

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 Frontier Real Estate Investment Corporation
 Kazuichi Nagata, Executive Director
 (Securities Code: 8964)

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**Notice Concerning the Execution of Long-term Borrowing,
 and the Repayment of Long-term and Short-term Borrowings**

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute long-term borrowing. The Investment Corporation, additionally, announces it would repay long-term and short-term borrowings on February 24, 2017. Details are provided below.

1. The Execution of Long-term Borrowing

(1) Purpose

To appropriate for the repayment of long-term borrowing as of February 24, 2012 and short-term borrowing as of February 20, 2017.

(2) Details

- ① Drawdown Date : February 24, 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
THE BANK OF FUKUOKA, LTD.	¥2,000 Million	February 24, 2027	0.42500% (Interest Rate is fixed until the maturity date.)

2. The Repayment of Long-term and Short-term Borrowings

Details of the repayment of long-term and short-term borrowings on February 24, 2017 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
THE BANK OF FUKUOKA, LTD.	¥1,000 Million	February 24, 2012	February 24, 2017	Payment in full on the maturity date	Unsecured Unguaranteed
	¥1,000 Million	February 20, 2017			

3. Change in the Balance of Borrowings

(Unit : ¥Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	5,000	4,000	-1,000
Long-term Borrowings	78,400	79,400	+1,000
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.

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

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