

Translation Purpose Only

November 26, 2015

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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 Mitsui Fudosan Frontier REIT Management Inc.
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**Notice Concerning the Execution of Long-term and Short-term Borrowings,
 and the Repayment of Short-term Borrowings**

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute long-term and short-term borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowings on November 30, 2015. Details are provided below.

1. The Execution of Long-term and Short-term Borrowings

(1) Rational

To appropriate for the repayment of short-term borrowings as of October 30, 2015.

(2) Details

- ① Drawdown Date : November 30, 2015
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rate:

| Lenders | Amount | Maturity Date | Interest Rate |
|-------------------------------------|----------------|-------------------|---|
| Sumitomo Mitsui Trust Bank, Limited | ¥2,000 Million | November 30, 2021 | 0.30874% (Interest Rate is fixed until the maturity date.) |
| Resona Bank, Limited. | ¥1,000 Million | December 21, 2015 | 0.16147% (Interest Rate is fixed until the maturity date.) |

2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on November 30, 2015 are as follows.

| Lenders | Borrowing Amount | Drawdown Date | Maturity Date | Repayment of Principal | Loan Type |
|-------------------------------------|------------------|------------------|-------------------|--------------------------------------|------------------------|
| Sumitomo Mitsui Trust Bank, Limited | ¥2,000 Million | October 30, 2015 | November 30, 2015 | Payment in full on the maturity date | Unsecured Unguaranteed |
| Resona Bank, Limited. | ¥1,000 Million | | | | |

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3. Change in the Balance of Borrowings

(Unit : ¥Million)

| | Before This refinance | After This refinance | Variance |
|---------------------------------|--------------------------|-------------------------|----------|
| Short-term Borrowings | 5,000 | 3,000 | -2,000 |
| Long-term Borrowings | 67,060 | 69,060 | +2,000 |
| Investment Corporation Bonds | 5,000 | 5,000 | - |
| Borrowings Total | 77,060 | 77,060 | - |

(*) 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 29, 2015.

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

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