

Translation Purpose Only

February 27, 2012

For Immediate Release

6-8-7 Ginza, Chuo-ku, Tokyo
Frontier Real Estate Investment Corporation
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(Securities Code : 8964)

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Notice Concerning the Execution of New Borrowing

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute new borrowing. Details are provided below.

1. Rational

To appropriate for the payment of newly acquired property (VIORO), stated in the press release "Notice Concerning Acquisition of Investment Asset" announced on February 27, 2012.

2. The Execution of Short-term Borrowing

Details of Short-term Borrowing

- ① Drawdown Date : February 28, 2012
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lender, Amount, Maturity Dates and Interest Rate : See accompanying table

Lender	Amount	Maturity Date	Interest Rate
Sumitomo Mitsui Banking Corporation	¥8,000 Million	February 28, 2013	0.31042%(*) (February 28, 2012 ~ March 18, 2012)

(*) Interest rate on and after March 19, 2012 will be announced when it is determined.

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3. Change in the balance of borrowings

	Before This Financing	After This Financing	Variance
Short-term Borrowings	¥ 17,700 Million	¥ 25,700 Million	+8,000 Million
Long-term Borrowings	¥ 49,220 Million	¥ 49,220 Million	—
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	—
Borrowings Total	¥ 71,920 Million	¥ 79,920 Million	+8,000 Million

(*) 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, 2011.

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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