

June 17, 2014

**To All Concerned Parties**

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

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Hiroshi Tanaka  
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**Notice Concerning the Execution and the Repayment of Short-term Borrowing**

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute short-term borrowing. The Investment Corporation, additionally, announces it would repay short-term borrowing on June 19, 2014. Details are provided below.

1. The Execution of Short-term Borrowing

(1) Rational

To appropriate for the repayment of short-term borrowing as of May 19, 2014.

(2) Details

- ① Drawdown Date : June 19, 2014
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lender, Amount, Maturity Date and Interest Rate:

Lender	Amount	Maturity Date	Interest Rate
Sumitomo Mitsui Banking Corporation	¥1,500 Million	July 22, 2014	0.26636% (Interest Rate is fixed until the maturity date.)

2. The Repayment of Short-term Borrowing

Details of the repayment of short-term borrowing on June 19, 2014 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Mitsui Banking Corporation	¥1,500 Million	May 19, 2014	June 19, 2014	Payment in full on the maturity date	Unsecured Unguaranteed

### 3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 2,000 Million	¥ 2,000 Million	—
Long-term Borrowings	¥ 63,920 Million	¥ 63,920 Million	—
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	—
Borrowings Total	¥ 70,920 Million	¥ 70,920 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 March 27, 2014.

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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