

October 15, 2010

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.
Yoshiyuki Tanabe
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 Short-term Borrowings Interest Rates

Frontier Real Estate Investment Corporation today announced the interest rates applicable to the following short-term borrowings.

Lender	Drawdown amount	Interest rates(*)	Drawdown date	Maturity date
Sumitomo Mitsui Banking Corporation	¥4,500 Million	0.64000% (October 19, 2010 ~ November 18, 2010)	June 30, 2010	December 20, 2010
	¥4,500 Million	0.60000% (October 19, 2010 ~ November 18, 2010)	September 21, 2010	April 19, 2011
Mitsubishi UFJ Trust and Banking Corporation	¥2,700 Million	0.60000% (October 19, 2010 ~ November 18, 2010)	August 19, 2010	February 21, 2011
	¥1,000 Million	0.60000% (October 19, 2010 ~ November 18, 2010)	July 2, 2010	January 19, 2011
The Sumitomo Trust & Banking Co., Ltd.	¥1,700 Million	0.60000% (October 19, 2010 ~ November 18, 2010)	September 21, 2010	December 20, 2010
Mizuho Corporate Bank, Ltd.	¥1,000 Million	0.60000% (October 19, 2010 ~ November 18, 2010)	July 2, 2010	January 19, 2011
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥1,000 Million	0.60000% (October 19, 2010 ~ November 18, 2010)	July 2, 2010	June 20, 2011
The Chuo Mitsui Trust & Banking Company, Limited	¥500 Million	0.60000% (October 19, 2010 ~ November 18, 2010)	July 2, 2010	June 20, 2011

(*) Interest rates on and after November 19, 2010 will be announced when they are determined.

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/>

Disclaimer

This information was originally publicized in the original Japanese language and has been translated for reference purposes only. Frontier Real Estate Investment Corporation guarantees neither the completeness nor the accuracy of this English translation. For complete and accurate information, please refer to the press release in Japanese. In addition, this press release is not prepared as an inducement or invitation for investment. All readers are advised to consult their own investment advisors before investing in the Investment Corporation. Investment decisions are made at the investor's sole discretion and responsibility and are made at their own risk. The Investment Corporation and its affiliates disclaim any responsibility or liability for the consequence of investment in the Investment Corporation.