

Translation Purpose Only

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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 and the Repayment of Short-term Borrowings

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute short-term borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowings on October 19, 2010. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Rational

To appropriate for the repayment of short-term borrowings as of July 20, 2010 and June 21, 2010.

(2) Details

- ① Drawdown Date : October 19, 2010
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rate

Lenders	Amount	Maturity Date	Interest Rate(*)
The Chuo Mitsui Trust & Banking Company, Limited	¥3,000 Million	February 21, 2011	0.60000% (October 19, 2010 ~ November 18, 2010)
Mizuho Corporate Bank, Ltd.	¥2,300 Million	January 19, 2011	0.60000% (October 19, 2010 ~ November 18, 2010)

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

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2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on October 19, 2010 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
The Chuo Mitsui Trust & Banking Company, Limited	¥3,000 Million	July 20, 2010	October 19, 2010	Payment in full on the maturity date	Unsecured Unguaranteed
Mizuho Corporate Bank, Ltd.	¥2,300 Million	June 21, 2010			

3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 23,700 Million	¥ 23,700 Million	—
Long-term Borrowings	¥ 30,540 Million	¥ 30,540 Million	—
Borrowings Total	¥ 54,240 Million	¥ 54,240 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 29, 2010.

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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