

Translation Purpose Only

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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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Notice Concerning the Execution of Short-term and Long-term Borrowings

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute short-term and long-term borrowings.

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

(1) Purpose

To appropriate for a part of the payment of additionally acquired property (Mitsui Shopping Park LaLaport SHIN-MISATO (Main building)), stated in the press release "Notice Concerning Acquisition of Investment Asset (Mitsui Shopping Park LaLaport SHIN-MISATO (Main building): additional acquisition)" announced on July 15, 2016.

(2) Details

- ① Drawdown Date : August 9, 2016
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lender, Amount, Maturity Dates and Interest Rate :

Lender	Amount	Maturity Date	Interest Rate
Mizuho Bank, Ltd.	¥5,000 Million	August 19, 2016	0.05591% (Interest Rate is fixed until the maturity date.)
The 77 Bank, Ltd.	¥1,000 Million	August 19, 2016	0.04591% (Interest Rate is fixed until the maturity date.)
Mitsubishi UFJ Trust and Banking Corporation	¥2,000 Million	September 20, 2016	0.05592% (Note) (August 9, 2016 ~ August 19, 2016)
Resona Bank, Limited.	¥1,000 Million	September 20, 2016	0.05092% (Note) (August 9, 2016 ~ August 19, 2016)
Development Bank of Japan Inc.	¥4,000 Million	February 9, 2028	0.33415% (Interest Rate is fixed until the maturity date.)

(Note) Interest rate on and after August 19, 2016 will be announced when they are determined.

2. Change in the balance of borrowings

(Unit : ¥Million)

	Before This Financing	After This Financing	Variance
Short-term Borrowings	3,000	12,000	+9,000
Long-term Borrowings	71,400	75,400	+4,000
Borrowings Total	74,400	87,400	+13,000

(*) Long-term Borrowings include the balance of borrowings due within one year.

3. 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 29, 2016.

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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