

**Translation Purpose Only**

December 17, 2015

**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 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 December 21, 2015. Details are provided below.

## 1. The Execution of Short-term Borrowings

## (1) Rational

To appropriate for the repayment of short-term borrowings as of November 19, 2015 and November 30, 2015.

## (2) Details

- ① Drawdown Date : December 21, 2015
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rate:

Lenders	Amount	Maturity Date	Interest Rate
Mizuho Bank, Ltd.	¥2,000 Million	March 22, 2016	0.17000%(*) (December 21, 2015 ~ January 19, 2016)
Resona Bank, Limited.	¥1,000 Million	March 22, 2016	0.17000%(*) (December 21, 2015 ~ January 19, 2016)

(\* )Interest rate on and after January 19, 2016 will be announced when they are determined.

## 2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on December 21, 2015 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥2,000 Million	November 19, 2015	December 21, 2015	Payment in full on the maturity date	Unsecured Unguaranteed
Resona Bank, Limited.	¥1,000 Million	November 30, 2015			

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## 3. Change in the Balance of Borrowings

(Unit : ¥Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	3,000	3,000	—
Long-term Borrowings	69,060	69,060	—
Investment Corporation Bonds	5,000	5,000	—
Borrowings Total	77,060	77,060	—

(\*) 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, 2015.

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Frontier Real Estate Investment website: <http://www.frontier-reit.co.jp/eng/>

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