

Translation Purpose Only

February 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 of Long-term and Short-term Borrowings,
 and the Repayment of Short-term Borrowings**

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute long-term and short-term borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowings on February 19, 2015. Details are provided below.

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

(1) Rational

To appropriate for the repayment of short-term borrowings as of November 19, 2014 and December 19, 2014.

(2) Details

① Drawdown Date : February 19, 2015

② Loan Type : Unsecured, Unguaranteed

③ Lenders, Amount, Maturity Date and Interest Rate:

Lenders	Amount	Maturity Date	Interest Rate
Mitsubishi UFJ Trust and Banking Corporation	¥2,000 Million	February 19, 2025	0.68500% (Interest Rate is fixed until the maturity date.)
Mizuho Bank, Ltd.	¥500 Million	April 20, 2015	0.19000%(*) (February 19, 2015 ~ March 18, 2015)

(*Interest rate on and after March 19, 2015 will be announced when they are determined.

2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on February 19, 2015 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mitsubishi UFJ Trust and Banking Corporation	¥2,000 Million	November 19, 2014	February 19, 2015	Payment in full on the maturity date	Unsecured Unguaranteed
Mizuho Bank, Ltd.	¥500 Million	December 19, 2014			

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3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥2,500 Million	¥500 Million	− ¥2,000 Million
Long-term Borrowings	¥62,800 Million	¥64,800 Million	+ ¥2,000 Million
Investment Corporation Bonds	¥5,000 Million	¥5,000 Million	—
Borrowings Total	¥70,300 Million	¥70,300 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 25, 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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