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July 17, 2013

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 July 19, 2013. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Rational

To appropriate for the repayment of short-term borrowings as of June 19, 2013 and July 16, 2013.

(2) Details

① Drawdown Date : July 19, 2013

② Loan Type : Unsecured, Unguaranteed

③ Lenders, Amount, Maturity Date and Interest Rate:

Lenders	Amount	Maturity Date	Interest Rate
Sumitomo Mitsui Banking Corporation	¥3,000 Million	August 19, 2013	0.30000% (Interest Rate is fixed until the maturity date.)
	¥1,500 Million	August 19, 2013	0.30000% (Interest Rate is fixed until the maturity date.)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥2,200 Million	August 19, 2013	0.35000% (Interest Rate is fixed until the maturity date.)

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2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on July 19, 2013 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Mitsui Banking Corporation	¥3,000 Million	June 19, 2013	July 19, 2013	Payment in full on the maturity date	Unsecured Unguaranteed
	¥1,500 Million	July 16, 2013			
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥2,200 Million	June 19, 2013			

3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 8,200 Million	¥ 8,200 Million	—
Long-term Borrowings	¥ 58,840 Million	¥ 58,840 Million	—
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	—
Borrowings Total	¥ 72,040 Million	¥ 72,040 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 March 27, 2013.

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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