

November 17, 2016

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,
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 and long-term borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowings on November 21, 2016. Details are provided below.

1. The Execution of Short-term Borrowings**(1) Purpose**

To appropriate for the repayment of short-term borrowings as of October 19, 2016.

(2) Details

- ① Drawdown Date : November 21, 2016
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lender, Amount, Maturity Date and Interest Rate:

Lender	Amount	Maturity Date	Interest Rate
Mizuho Bank, Ltd.	¥7,000 Million	November 30, 2016	0.04108% (Interest Rate is fixed until the maturity date.)
The 77 Bank, Ltd.	¥2,000 Million	December 19, 2016	0.06000% (Interest Rate is fixed until the maturity date.)
THE BANK OF FUKUOKA, LTD.	¥1,000 Million	December 19, 2016	0.06000% (Interest Rate is fixed until the maturity date.)
THE IYO BANK, LTD.	¥1,000 Million	November 22, 2021	0.09000% (Interest Rate is fixed until the maturity date.)
THE BANK OF FUKUOKA, LTD.	¥1,000 Million	November 24, 2026	0.33500% (Interest Rate is fixed until the maturity date.)

2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on November 21, 2016 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥7,000 Million	October 19, 2016	November 21, 2016	Payment in full on the maturity date	Unsecured Unguaranteed
The 77 Bank, Ltd.	¥2,000 Million				
Mitsubishi UFJ Trust and Banking Corporation	¥2,000 Million				
Resona Bank, Limited.	¥1,000 Million				

3. Change in the Balance of Borrowings

(Unit : ¥ Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	12,000	10,000	− 2,000
Long-term Borrowings	75,400	77,400	+ 2,000
Borrowings Total	87,400	87,400	—

(*) 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 28, 2016.

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

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