

Translation Purpose Only

July 17, 2018

To All Concerned Parties

6-8-7 Ginza, Chuo-ku, Tokyo
Frontier Real Estate Investment Corporation
Takao Iwadou, Executive Director
(Securities Code: 8964)

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Notice Concerning Execution and Repayment of Short-term Borrowing

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute short-term borrowing. The Investment Corporation, additionally, announces it would repay short-term borrowing on July 19, 2018. Details are provided below.

1. Execution of Short-term Borrowing**(1) Purpose**

To appropriate for the repayment of short-term borrowing as of June 19, 2018.

(2) Details

- ① Drawdown Date : July 19, 2018
- ② Repayment of Principal : Payment in full on the maturity date
- ③ Loan Type : Unsecured, Unguaranteed
- ④ Lender, Amount, Maturity Date and Interest Rate:

Lender	Amount	Maturity Date	Interest Rate
Mizuho Bank, Ltd.	¥1,000 Million	August 20, 2018	0.08364 % (Interest Rate is fixed until the maturity date.)

2. Repayment of Short-term Borrowing

Details of the repayment of short-term borrowing on July 19, 2018 are as follows. Short-term Borrowing in the previous section and funds raised with Investment Corporation Bonds will be allocated for the repayment. Regarding the Investment Corporation Bonds, please refer to the press release “Notice Concerning Issuance of Investment Corporation Bonds” announced on July 4, 2018.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥3,000 Million	June 19, 2018	July 19, 2018	Payment in full on the maturity date	Unsecured Unguaranteed

3. Change in the Balance of Borrowings etc.

(Unit : ¥ Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	6,000	4,000	-2,000
Long-term Borrowings	84,400	84,400	—
Investment Corporation Bonds	5,000	5,000	—
Total	95,400	93,400	-2,000

(*) 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 report submitted on March 28, 2018.

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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