

Translation Purpose Only

June 15, 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 of Short-term and Long-term Borrowings,
and 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 June 19, 2018. Details are provided below.

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

To appropriate for the repayment of short-term borrowing as of April 19, 2018 and May 21, 2018.

(2) Details

- ① Drawdown Date : June 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.	¥3,000 Million	July 19, 2018	0.08364 % (Interest Rate is fixed until the maturity date.)
The 77 Bank, Ltd.	¥1,000 Million	August 20, 2018	0.07818 % (Interest Rate is fixed until the maturity date.)
The Yamanashi Chuo Bank, Ltd.	¥1,000 Million	December 20, 2027	0.40574 % (Interest Rate is fixed until the maturity date.)

2. Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on June 19, 2018 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥1,000 Million	April 19, 2018	June 19, 2018	Payment in full on the maturity date	Unsecured Unguaranteed
	¥3,000 Million	May 21, 2018			
The 77 Bank, Ltd.	¥1,000 Million	April 19, 2018			

3. Change in the Balance of Borrowings

(Unit : ¥Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	5,000	4,000	-1,000
Long-term Borrowings	85,400	86,400	+1,000
Investment Corporation Bonds	3,000	3,000	—
Total	93,400	93,400	—

(*) 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 report submitted on March 28, 2018.

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

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