

**Translation Purpose Only**

August 17, 2017

**To All Concerned Parties**

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Frontier Real Estate Investment Corporation  
Kazuichi Nagata, Executive Director  
(Securities Code: 8964)

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**Notice Concerning Execution of Short-term Borrowings,  
and Repayment of Short-term and Long-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 and long-term borrowings on August 21, 2017. Details are provided below.

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

To appropriate for the repayment of short-term borrowings as of July 19, 2017 and long-term borrowing as of February 21, 2011.

**(2) Details**

- ① Drawdown Date : August 21, 2017
- ② Repayment of Principal : Payment in full on the maturity date
- ③ Loan Type : Unsecured, Unguaranteed
- ④ Lender, Amount, Maturity Date and Interest Rate:

<b>Lender</b>	<b>Amount</b>	<b>Maturity Date</b>	<b>Interest Rate</b>
Mizuho Bank, Ltd.	¥3,500 Million	September 19, 2017	0.06000 % (Interest Rate is fixed until the maturity date.)
The 77 Bank, Ltd.	¥1,000 Million	September 19, 2017	0.06000 % (Interest Rate is fixed until the maturity date.)
THE BANK OF FUKUOKA, LTD.	¥1,000 Million	September 19, 2017	0.06000 % (Interest Rate is fixed until the maturity date.)

## 2. Repayment of Short-term and Long-term Borrowings

Details of the repayment of short-term and long-term borrowings on August 21, 2017 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mitsubishi UFJ Trust and Banking Corporation	¥1,500 Million	February 21, 2011	August 21, 2017	Payment in full on the maturity date	Unsecured Unguaranteed
Mizuho Bank, Ltd.	¥3,000 Million	July 19, 2017			
The 77 Bank, Ltd.	¥1,000 Million				

## 3. Change in the Balance of Borrowings

(Unit : ¥Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	4,000	5,500	+1,500
Long-term Borrowings	79,400	77,900	-1,500
Investment Corporation Bonds	3,000	3,000	—
Borrowings Total	86,400	86,400	—

(\*) 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 March 29, 2017.

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

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