

Translation Purpose Only

May 17, 2017

To All Concerned Parties

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

Asset Management Company:
Mitsui Fudosan Frontier REIT Management Inc.
Goro Toyama
Chief Executive Officer and Representative Director

Inquiries:
Mitsui Fudosan Frontier REIT Management Inc.
Takashi Iwamoto
Chief Finance Officer and Director
Tel: +81-3-3289-0440

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 May 19, 2017. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Purpose

To appropriate for the repayment of short-term borrowings as of April 19, 2017.

(2) Details

- ① Drawdown Date : May 19, 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:

Lender	Amount	Maturity Date	Interest Rate
Mizuho Bank, Ltd.	¥3,000 Million	June 19, 2017	0.06000% (Interest Rate is fixed until the maturity date.)
The 77 Bank, Ltd.	¥1,000 Million	June 19, 2017	0.06000% (Interest Rate is fixed until the maturity date.)

2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on May 19, 2017 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥3,000 Million	April 19, 2017	May 19, 2017	Payment in full on the maturity date	Unsecured Unguaranteed
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	4,000	—
Long-term Borrowings	79,400	79,400	—
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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