

4 December 2012

## **ALPHA REAL TRUST LIMITED (“ALPHA REAL TRUST” OR “ART” OR THE “COMPANY”)**

### **RESULT OF EXTRAORDINARY GENERAL MEETING**

#### **REFINANCE OF NORWEGIAN PORTFOLIO**

At the Extraordinary General Meeting of Alpha Real Trust held on 30 November 2012, the proposed resolution was duly approved by the shareholders.

The acquisition of the investment portfolio from Property Investment Portfolio Plc (“PIP”) announced on 19 October 2012 has now completed and 23,914,323 new Class A Shares will be issued to PIP.

ART has refinanced the £ 59.0m (NOK 536m) portfolio of Norwegian commercial real estate in European Property Investment Portfolio plc (“Europip”) with a senior debt facility of £ 37.4m (NOK 340m) at a loan to value covenant of 73% over the secured assets of two tranches, which are cross collateralised.

The senior debt facility with a Norwegian bank comprises:

- A five year term facility for £ 30.8m (NOK 280m), at a 2.4% margin over NIBOR. This facility will be amortised at £ 1.1m (NOK 10.2m) per annum from cashflow, although the amount of required amortisation will be reduced pro-rata in the event of property sales. £ 23.1m (NOK 210m) of this facility has been fixed for five years at a NIBOR rate of 2.49%.
- A two year term facility for £ 6.6m (NOK 60m), at a 3.1% margin over NIBOR with repayment coming from the sale of two assets which are currently being marketed.

Prepayment fees of 0.75% of the amount repaid apply across both tranches during the first two years but only if the senior debt facility is refinanced. There are no prepayment fees on asset sales. The intention is for the shorter term facility to be repaid by sales of property.

Additional mezzanine finance has been provided by ART of £ 4.0m (NOK 36m) which results in a combined mezzanine investment for ART in Europip of £8.8m (NOK 80m) at a coupon rate of 9% per annum.

The equity (excluding receivables and payables) in Europip following the refinance is £12.8m (NOK 116m) of which ART owns 47% - £6.0m (NOK 54.5m). Exchange rate £1:NOK 9.08 applied other than for historic transactions.

For further information please contact:

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## **About the Company**

The Company is a closed-ended investment company incorporated in Guernsey that targets investment and development opportunities in real estate, including real estate operating companies, securities, services and other related businesses that offer high total returns.

Further information on the Company can be found on the Company's website: [www.alpha-real-trust-limited.com](http://www.alpha-real-trust-limited.com).