

[SEPTEMBER 2013]

**CORNERSTONE REAL ESTATE ADVISERS REFINANCES £265 MILLION UK PORTFOLIO
WITH £150 MILLION LOAN TO UK & EUROPEAN INVESTMENTS**

Cornerstone Real Estate Advisers Europe (“Cornerstone Europe” or the “Company”), one of the largest global real estate investment managers with over US\$40 billion assets under managementⁱ (as at 30 June 2013), , announces the completion of a £150 million senior debt refinancing package for UK & European Investments, a multi-national property investment and development company owned by the Lewis Trust Group. The loans are secured against a £265 million portfolio of six prime assets located in Central London and the South East. The facility was arranged by Laxfield Capital, the specialist UK commercial mortgage investment manager.

The deal represents Cornerstone’s second and largest real estate lending transaction in the UK to date and is in line with the Company’s strategy of extending into Europe its U.S. \$27bn commercial real estate debt platform, which completed \$5.25 billion in real estate transactions in 2012. This transaction, alongside the recent appointment of Chris Bates as Head of European Real Estate Finance, adds further momentum to the Company’s progress in building a market leading real estate lending and debt origination platform in Europe.

The new fixed-rate, nine and eleven year mixed maturity £150 million loan facility has a weighted average unexpired lease term of 9.8 years. It is in line with Cornerstone’s core lending strategy which offers loans with maturities ranging from seven to 20 years.

Charles Weeks, CEO of Cornerstone Europe, said: “This transaction coincides with the first anniversary of our entry into the UK lending market and with this deal and others in hand, Laxfield Capital has done a great job in helping us meet our objectives. With Chris now leading the ongoing development of the debt platform in Europe, we are hoping to maintain this momentum in the UK and begin to look at wider opportunities in Europe, as they develop.

Nick Pink, CIO of Cornerstone Europe, said: “This transaction typifies Cornerstone’s core lending strategy in the Europe. UK & European Investments is a top tier sponsor and this portfolio of prime assets, secured against strong covenants with a long average unexpired lease term is ideally suited to long term finance.”

Commenting on the transaction, Barnaby Kelham, CEO of UK & European, said: “We are pleased to be working with Cornerstone on their largest real estate lending transaction in the UK and to have

ⁱ Includes Cornerstone Real Estate Advisers LLC and its subsidiaries.



secured this significant long term finance at a time when yields are still close to historic lows. This new facility provides UK and European with new funding and fire power which will be used to expand the portfolio and development programme. This will allow us to make new acquisitions fast without need for any third party debt.”

Adam Slater, Managing Director Laxfield Capital said

“In the past 15 months we have generated and executed an excellent pipeline of opportunities for Cornerstone to help it gain traction in the UK market and successfully fulfilled the target for the first year. We wish Cornerstone well as it establishes its own platform and look forward to working with the new team to close out the existing pipeline. Laxfield is in an extremely active phase of deal closing currently, and is set for a record last quarter in 2013.”

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Notes to Editors

About Cornerstone Real Estate Advisers LLC

Cornerstone Real Estate Advisers LLC, with subsidiary and affiliate offices in the U.S., UK, Europe and Asia, is one of the largest global real estate investment managers. It provides core and value-added investment and advisory services, including a comprehensive suite of private and public real estate debt, equity and securities expertise and services, to institutional and other qualified investors around the globe. Cornerstone is a member of the MassMutual Financial Group.

More information is at www.cornerstoneadvisers.com.

About Laxfield Capital Ltd

Laxfield Capital is a commercial mortgage origination, investment management and advisory business. Laxfield Capital currently manages £1.25 billion of commercial mortgage assets on behalf of global institutional investors, including life companies, banks and a sovereign wealth fund.

Founded in 2008 to capitalise on the growing international appetite for UK commercial mortgage investments, Laxfield Capital provides a comprehensive range of services, including Origination, Investment Selection, Execution, Syndication, Investment Management and Strategic Advisory.

Since 1995, the Laxfield Capital directors have originated and managed £8bn of commercial mortgages in the UK and several European markets and assisted eight international investors in building or expanding their UK commercial mortgage platform.

More information is at www.laxfieldcapital.com