<u>Property EU</u>

Noteholders go with Patron/TPG option for Uni-Invest CMBS

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Senior noteholders in Europe's first commercial mortgage-backed securities (CMBS) to default on maturity have backed a workout option proposed by private equity groups TPG Capital and Patron Capital Partners.

Earlier in the day, the Class A noteholders rejected a 'consensual restructuring' of the EUR 602 mln of debt put forward by Valad Europe. The Class A noteholders in the Opera Finance (Uni-Invest) CMBS failed to give the required approval to a plan to extend the bonds to 2016, adjust interest payments and hire Valad Europe to sell the real estate backing the CMBS.

Holders of more junior B,C, and D notes had supported the Valad option. However, the consensual restructuring needed 75% support from the A noteholders to succeed.

The decision cleared the way for them to accept an offer for their Class A notes from TPG Capital and Patron Capital Partners to recover EUR 359 mln of the debt owed.

Eurohypo was the original lender for the loan. In its role as special servicer, Eurohypo issued a statement announcing the vote in favour of the TPG/Patron proposal. It said, 'the decision ends a 10-month Special Servicer led process which sought to protect the value of noteholders' investment, after the company's efforts to find additional equity were discontinued in June 2011.'

The Special Servicer was advised throughout the process by Cairn Capital.

Under the terms of the credit bid option, Class A noteholders will receive: a cash payment equal to 40% of the principal amount of the class A notes plus accrued interest plus an amount of up to EUR 7.5 mln to cover certain closing expenses, less amounts ranking in priority to the Class A noteholders in the Post Enforcement Priority of Payments waterfall; and for those Class A Noteholders signing the Noteholder Acknowledgement, either a further cash payment or new notes.

The further cash payment would be equal to 35% of the principal amount outstanding of the Class A notes. The new notes would be equivalent to the remaining 60% of the principal amount outstanding for existing Class A notes.