

RIS Notification – Nemus II (Arden) plc

Date: 25 November 2014

Nemus II (Arden) plc
35 Great St. Helen's
London EC3A 6AP
(Registration number 5991262)
(the “**Issuer**”)

To the holders of the outstanding
£204,835,000 Class A Commercial Backed Floating Rate Notes due 2020
(ISIN: XS0278300487)
£16,615,000 Class B Commercial Backed Floating Rate Notes due 2020
(ISIN: XS0278300560)
£11,260,000 Class C Commercial Backed Floating Rate Notes due 2020
(ISIN: XS0278300727)
£10,175,000 Class D Commercial Backed Floating Rate Notes due 2020
(ISIN: XS0278301295)
£16,850,000 Class E Commercial Backed Floating Rate Notes due 2020
(ISIN: XS0278301378)
£1,135,000 Class F Commercial Backed Floating Rate Notes due 2020
(ISIN: XS0278301535)
being together, the “**Notes**”

The Notes are admitted to trading on the regulated market of The Irish Stock Exchange Limited.

Directive 2003/6/EC of the European Parliament and of the Council of 28 January 2003 on insider dealing and market manipulation (market abuse), together with implementing Commission Directives 2003/124/EC of 22 December 2003 and 2004/72/EC of 29 April 2004, as implemented by the relevant member states, require disclosure by or on behalf of the Issuer of any inside information concerning the Notes.

The Issuer has not been involved in the formulation of, nor has it approved, this notice and it expresses no opinion on the merits of the contents herein. In accordance with normal practice, the Issuer gives no advice as to the actions that the holders of the Notes should take and expresses no opinion as regards the merits or otherwise of any proposed course of action by the holders of the Notes. The Issuer has given no advice and expresses no opinion as regards the merits or otherwise of any proposed action set out below.

The below communication is made without prejudice to any and all of the Issuer's rights under the Transaction Documents relating to the Notes, all of which are expressly reserved.

This notice has been prepared by CBRE Loan Servicing Limited as Servicer and Special Servicer, and is issued at its request.

BUCHANAN HOUSE LOAN

Capitalised Terms not otherwise defined in this Notice have the meaning ascribed to them in the Offering Circular dated 13 December 2006.

We hereby notify you of the following in respect of the Buchanan House Securitised Loan (the “**Loan**”) which was acquired by the Issuer on the Closing Date, with a principal loan balance outstanding of £43,873,073, secured by a first ranking mortgage on a freehold property comprising office space known as Buchanan House, 58 Port Dundas Road, Glasgow (the “**Property**”).

A continuing Loan to Value Default has existed since May 2009. Upon receipt of information relating to construction defects with the Property the Servicer determined a Material Adverse Effect had occurred and transferred the loan to Special Servicing in April 2013. In addition, the Borrower failed to repay the Loan on the Buchanan House Termination Date (31 October 2013). The Special Servicer has entered into a standstill agreement with the Borrower.

On 19 November 2014, the Special Servicer implemented a transaction in cooperation with the Buchanan House Borrowers and the unitholders of the Buchanan House Unit Trust (“**BHUT**”), pursuant to which the units in BHUT were transferred from the original unitholders, Black Swan International Limited (“**Black Swan**”) and Zinovia Investments Limited (“**Zinovia**”), to two new Guernsey registered charitable trusts set up by the Special Servicer, The Dundas Unit Purpose Trust (“**DPT**”) and The Port Purpose Trust (“**PPT**”).

As part of the transaction, Black Swan and Zinovia were released from their guarantees in relation to the Loan (which were of no value, as neither had any assets other than the units in BHUT). Further, DPT and PPT granted security over the units that they now hold in BHUT. The purpose of this transaction was to effect the exit of the existing sponsor, while ensuring that the corporate structure that held the Property remained in place, so that the Special Servicer can continue to work with the Borrower to seek a resolution of the defects in relation to the Property and in due course realise the security in relation to the Loan.

The Buchanan House Borrowers, supported by the Servicer and Special Servicer, continue to seek a resolution to the defects in relation to the Property with the Buchanan House Borrowers’ professional and legal advisers and in consultations with the tenants in the Property. Indications are that once commenced, the works required to resolve the defects in relation to the Property are likely to take up to 18 months to complete.

The Loan remains current in all other respects, with all payments of interest due in relation to the Loan currently being made in full.

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*This notice is prepared by and issued on behalf of CBRE Loan Servicing Limited (CBRELS) in its capacity as the servicer (the “**Servicer**”) and Special Servicer (the “**Special Servicer**”) solely to provide the existing Noteholders (as defined in the Offering Circular issued by Nemus II (Arden) plc (the “**Issuer**”) dated 13 December 2006 relating to the offering of the Notes (the “**Offering Circular**”) as “**Addressees**” with respect to certain information regarding the Buchanan House Whole Loan (as defined in the Offering Circular). This Notice is solely directed at the Addressees and should not be relied upon or used by any other person. NOTHING IN THIS NOTICE CONSTITUTES ANY PROMOTION IN RESPECT OF OR ANY INVITATION,*

ENDORSEMENT OR OFFER TO INVEST OR DEAL IN THE BUCHANAN HOUSE WHOLE LOAN (AS DEFINED IN THE OFFERING CIRCULAR) OR THE NOTES OR IN ANY OTHER ASSETS, SECURITIES OR FINANCIAL INSTRUMENTS IN ANY JURISDICTION.

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The information contained herein has not been independently verified. Without prejudice to the foregoing (and without purporting to limit any person's liability for fraudulent misrepresentation), no responsibility or liability is or will be accepted by CBRELS or its officers, affiliates, advisers, agents and representatives in relation to the accuracy or completeness of this Notice or any other written or oral information made available to any Addressee or its advisers and any such liability is expressly disclaimed.

By:
Nemus II (Arden) plc
35 Great St. Helens
London
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Date: 24 November 2014

This announcement has been issued through the Companies Announcement Service of
the Irish Stock Exchange.

This information is provided by RNS
The company news service from the London Stock Exchange