

# The Glanmore Property Fund Limited

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Dear Shareholder,

## **The Glanmore Property Fund Limited (“the Fund”)**

Further to our letter of 30<sup>th</sup> March 2012, I am writing to update you with the latest news regarding the Fund.

### **Valuations**

Discussions are continuing between the Fund’s Board, lenders and valuers. In my previous letter I mentioned that the Board had commissioned the services of an additional valuer to conduct a new independent valuation of the Fund’s entire portfolio. The valuers have recently provided their report and reviews are ongoing with both lenders to analyse the conclusions.

### **Loan renegotiations and dividends**

In light of the above review, both lenders have issued reservation of rights letters to protect their respective positions. The fund board and manager are actively working with both lenders with the intent to reach a consensual solution. Accordingly, during the course of the next quarter the Fund will look to reach a conclusion with regard to the valuations, formulate revised business plans in view of the new valuations and aim to reach agreement on those plans with the Fund’s lenders to establish new longer-term lending arrangements.

Finally, you should be aware that the RBS facility has expired, and a standstill agreement has been signed with RBS. This consents to a three-month period to enable the Fund to resolve the issues and achieve the aims above.

### **EGM and redemptions**

The redemption postponement regime came into force in June 2008. The Fund’s Articles establish a queuing principle which holds redemption requests in chronological order of receipt. Under the existing Articles of the Fund, the first redemptions are currently due for payment at the end of September 2012. In the interests of providing clarity over the Fund’s future direction and how the Fund will look to meet those redemptions, the Board will delay convening a shareholder meeting while the situation regarding debt position and valuations remains unresolved. However, there will be a need to convene an EGM by September 2012.

### **Portfolio news**

During the first quarter of this year the Fund secured an income uplift of £186k (3.9%) per annum on eight tenant rent reviews, agreed six lease renewals and five new lettings with an aggregate rental income improvement of £284k per annum.

Yours faithfully,



Robert Court FRICS ACI Arb  
Chairman