

Press release date 22nd May 2008

COMMERCIAL FIRST COMPLETES REFINANCING

Commercial First is delighted to announce that they have successfully completed a refinancing of the business. The refinancing includes a substantial £40m three year working capital facility from Lloyds TSB, complementing an additional £12m in shareholder equity raised in December and May. The working capital facility together with the equity raising has enabled the business to secure long term stability after the market dislocation forced the lender to suspend new originations.

Whilst the refinancing does not mean an immediate return to new lending, it does ensure the business is well funded to continue to effectively manage the existing £1.6bn portfolio for the benefit of investors, bond holders and various banking partners.

Commenting Commercial First Managing Director Philip George said, "I am delighted that despite the incredibly difficult market conditions we have secured this substantial facility from Lloyds TSB and the continued financial support of our shareholders. It's fantastic to see that they share our passion and belief in this great company, and it enables us to continue to manage the business successfully for the benefit of all our stakeholders"

Sales and Marketing director Stephen Johnson went on to say "Clearly there has been significant speculation about the business since we were forced to suspend new lending and restructure the cost base within the business. This deal is a significant step forward, and with this now in place we can focus all our energies into the management of our portfolio and a return to new lending.

Our teams have received some very humbling messages of support from our broker partners, and we look forward to continuing our central role in supporting the intermediary market for commercial mortgages."

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Commercial First

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