

**September Monthly Update**

Elaine Securities Plc announces a monthly update for September. The full announcement is attached.

The directors take responsibility for this announcement.

Attachment:

1. **September Monthly Update**

**Non Regulated**

Publication Date: 26/09/2016

Elaine Securities Plc

September 16

### General update

September has been a strong month for the team at Elaine Securities plc with just under £500,000 in new investment being received from bond issuance and some interesting deals that we are currently investigating and hoping to secure in October. We will now be issuing these updates on a monthly basis.

### Current Investments

Elaine Securities currently have three investments. The first investment is a loan facility provided to corporate body for regular draw down to fund the provision of motor stocking facilities to its car trader clients. We are actively working with the company to investigate the potential routes of sale of their book and the required size of the book before this is an option. We are also engaging with an external accounting firm to assist with building the components of the business further.

The second investment is a one-year loan facility to a corporate borrower due for final repayment in February 2017, secured against a development site in Purley. The borrower has submitted a planning application and is expecting a decision on Friday 23<sup>rd</sup> September. It is the intention of the borrower that this site will be marketed upon grant of planning.

The third investment is a loan facility, to a corporate house builder to fund land acquisition and development costs for a site based in Leeds. The proposed scheme is to build nine detached houses (each with 4-6 bedrooms) and to refurbish one existing detached house. The loan repayment is upon sale of the first five units, which is estimated between July 2017 and November 2017.

### Potential Investments

Elaine Securities are one of three lenders who is currently finalising a loan to an SPV, to purchase and lease a private aircraft. Elaine will be given a 1/3 equity stake in the borrower SPV to protect its interests. The lessee will commence the lease after 4 months, where Elaine finances the monthly holding costs, then the SPV will charge the lessee on pre-defined terms.

Another potential loan facility for a total sum of £1.5m net, to be used to purchase 10 classic cars currently in the US is currently being negotiated. A chattel mortgage will be taken on the cars with a floating charge over the existing UK stock, which is unencumbered and valued at over £3.5 million. The financial terms for the loan have now been agreed with the borrower. The loan would be syndicated, either upon draw down or at a later date, to spread risk and to allow Elaine to pursue

other opportunities.

The company has approximately £1.4m in cash to fund or participate in these investments.

We will update you again at the end of October 2016.

Yours sincerely,

Elaine Securities Plc