

November/December Monthly Update

Elaine Securities Plc announces a monthly update for November and December. The full announcement is attached.

The directors take responsibility for this announcement.

Attachment:

1. **November/December Monthly Update**

Non Regulated

Publication Date: 22/12/2016

Elaine Securities Plc

November and December 2016

General Update

November and December have been busy months for the team at Elaine Securities Plc ("Elaine") with over £188,000 in new investment being received from bond issuances and some interesting deals that we are currently investigating and hoping to secure in December.

Current Investments

Elaine currently has six investments.

The first investment is a £927k loan to an SPV that has purchased a private aircraft with an existing lease agreement. Elaine has loaned a 1/3 stake to the borrower SPV. The lessee is due to commence the lease in January 2017, where Elaine finances the monthly holding costs, then the SPV will charge the lessee on pre-defined terms. Should the lease not commence, the SPV intends to sell the aircraft. A further update on the status of the loan will be provided in early 2017.

The second investment secured was a 19-month loan facility for approximately £940,000, which was used to acquire a property based near Heathrow. Under the Governments' Permitted Development Rights, the borrower intends to convert the existing office space into residential apartments. A first ranking charge on the property and a debenture over the corporate borrower has been secured. The senior tranche portion of the loan has been transferred during November representing a repayment of over £326,000, which is now available to be invested into new investments.

The third investment is a loan facility which has been provided to a corporate borrower for periodic draw down to fund the provision of motor stocking facilities to its motor vehicle traders. We have recently agreed to realize this investment and accordingly a repayment schedule for this loan has been agreed. We will however continue to work with the borrower while the loan is fully repaid, which will not occur until late 2017.

The fourth investment is a one-year term loan facility which has been advanced to a corporate borrower due for final repayment in February 2017. This loan is secured against a potential development site in Purley, London. It is the intention of the borrower that the site will be marketed upon the granting of planning permission with the loan repayable on the earlier of the sale date or 25th February 2017.

The fifth investment is a loan facility to a corporate borrower to fund the acquisition of land at a development in Leeds. The purchase of an extra piece of land, located adjacent to the site has been secured expanding the overall scale of the development. The proposed scheme is to build eight 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.

The sixth investment is a loan facility in the amount of £150k, to be used to refinance an existing loan and to fund a redevelopment. The loan is to be secured against a 15th Century Grade II listed building in Cobham, Surrey. The building is to be used as a hotel / restaurant.

Potential Investments

Another potential loan participation is currently being negotiated and the total value is expected to be £4.5m. The loan would be used to refinance an existing loan and to purchase a new property. The loan would be secured by way of a first ranking charge on the property in Hampton Riviera. The property is currently on the market for approximately £13m.

Elaine has just over £300,000 in cash to participate in these investments.

We will update you again at the in early 2017.

Yours sincerely,

Elaine Securities Plc