

Press Release

Four Seasons Loan Successfully Restructured By Hatfield Philips



For Immediate Release

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Hatfield Philips, Europe's largest independent Primary and Special Servicer, has today announced the successful restructuring of the £1.2bn Four Seasons Loan (Four Seasons Healthcare care homes). In total over 30 parties had to agree to the restructuring which took 15 months of hard negotiation by Hatfield Phillips and follows the failure of the initial negotiations between Four Seasons and its creditors. The restructuring is one of the largest loan restructurings in the UK and across Europe and includes a CMBS facility in the form of Titan Europe 2006-4 FS Plc, a £600m securitisation, six tranches of unsecured debt c£600m held by 11 lenders and 20 separate mezzanine parties representing c£235m. The principal terms of the restructuring are:

- (a) A reduction in the outstanding principal term debt under the Senior Credit Agreement to approximately £723.7mn;
- (b) An extension of the repayment date to 3 September 2010; and
- (c) A debt for equity swap for the remaining Senior Lenders and the Junior Lenders (resulting in a reduction of the Group's secured principal debt in an amount of approximately £693mn).

Matthew Grefsheim, director, special servicing, comments; "We would like to thank all thirty parties involved in the transaction and their advisers: and by agreeing to our proposals a very important healthcare provider has been saved from breakup or a distressed sale. Notwithstanding the obvious benefits of keeping the group together, Hatfield Philips has agreed terms which maximize the value of the investments, taking into account the current market conditions."

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