

NEMUS II (Arden) plc

Quarterly Servicer Report to Investors

Note Interest Period 15/11/2011 - 15/02/2012



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*Front Page shows 171 Victoria Street (Loan No.3)

Executive Summary

CBRE

Unless stated otherwise all amounts in this report are in GBP (£)

Outstanding Loan Balance of Loans in Special Servicing

% of Total Pool of Loans in Special Servicing

	Current	Previous	lssue
Effective Date	15/02/2012	15/11/2011	14/12/2006
Loan Balance	226,552,923	238,470,552	260,872,748
Scheduled Amortisation for Period	248,938	233,270	
Unscheduled Amortisation for Period	0	108,330	
Partial Repayment	11,668,691	0	
Full Repayment	0	0	
Number of Loans	5	5	6
Number of Properties	11	15	22
Number of Tenants (Commercial)	53	52	86
Number of Delinquencies	1	1	0
Number of Loans not Current (Whole Loan)	1	1	0
Weighted Average ICR on securitised loan balance	455.7%	480.7%	130.6%
Weighted Average LTV Ratio on securitised loan balance	78.0%	78.4%	69.9%
# Loans currently in Special Servicing	2	2	0

2	2	
17,013,804	28,682,495	
7.51	12.03	

Summary Comments:

Loan 6 (Oriel Property), The loan matured on 31/10/2011 without repayment. In November 2011, a sale of four of the properties was completed, this has resulted in the balance of the outstanding securitised loan reducing to £5,088,804. This balance is to be refinanced by the existing B Lender and we expect this to complete prior to the end of February 2012 resulting in a full recovery of the securitised loan.

Loan 4 (Carlton House), This loan remains in Special Servicing and the Servicer continues to monitor and control all property related cash flow.

Loan 3 (Kirkglade) and Loan 5 (Fern) remain on the Servicer Watchlist due to continuing LTV covenant breaches.



	(DRIGINAL BALANCES			CURRENT BALANCES							Next Period Interest Rate (incl. of Margin)%				
Loan Name	Whole Loan	Securitised Portion	B Loan	Whole Loan	Securitised Portion	B Loan	Loan Maturity	Original Securitised LTV%	Current Securitised LTV%	Original Whole Loan LTV%	Current Whole Loan LTV%	Remaining Loan Term (Mths)	Escrow Balance GBP	Whole Loan	Securitised Portion	Mortgage Repayment Type
1 - Castle Properties (Jersey) Limited	11,320,000	11,320,000		0	0		31/01/2011	79.2		79.2						Loan Prepaid 25/10/2010
2 - Chainmill Properties Limited	46,290,000	40,000,000	6,290,000	46,290,000	40,000,000	6,290,000	12/05/2013	65.6	74.1	75.9	85.7	27		2.0386%	1.9364%	Bullet
3 - Kirkglade Limited	149,810,000	129,810,000	20,000,000	147,130,000	127,487,780	19,642,220	31/10/2013	69.4	76.8	80.1	88.6	27	10,324	1.9830%	1.9061%	Amortising
4 - Carlton House Investments Limited	12,440,000	12,440,000		11,925,000	11,925,000		31/10/2014	80.3	96.2	80.3	96.2	39		2.1330%	2.1330%	Amortising (currently suspended)
5 - Fern Trustee 1 Ltd and Fern Trustee 2 Ltd as Trustees for Buchanan House Unit Trust	49,873,073	43,873,073	6,000,000	47,802,214	42,051,338	5,750,876	31/10/2013	75.0	85.8	85.3	97.6	27	180,085	1.9830%	1.8670%	Amortising
6 - Oriel Property Limited	32,999,542	23,429,675	9,569,867	14,885,642	5,088,804	9,547,575	* 31/10/2011	60.0	31.6	84.5	92.3	3		2.1330%	1.7651%	Loan past maturity
Totals	302,732,615	260,872,748	41,859,867	268,032,856	226,552,923	41,230,671	Weighted Average									
Notes:	•						69.9 78.0 80.8 90.3									

Interest is calculated on an Actual/365 day count basis.

LTVs have been calculated using the most recently available property valuations.

* The B Loan balance for Loan 6 excludes principal cure payments made to the A Lender in accordance with the

Intercreditor post default payment waterfall.



ICR / DSCR SUMMARY - MOST RECENT PERIOD

					Whole
			ICR SUM	IMARY	
Loan No.	Facility		Gross Interest See note 1	Net Interest (inc Hedge) See note 2	Agreement See note 3
1					
2	105.0	Α	399.5	117.1	124.4
3	105.0		359.4	107.1	106.6
4	115.0	В	343.0	105.3	120.5
5	105.0		414.7	121.3	122.5
6	100.0		319.9	115.8	108.0

	DSCR SUMMARY											
Facility	Gross Interest See note 1	Net Interest (inc Hedge) See note 2	Agreement See note 3									
N/A	399.5	117.1	N/A									
N/A	292.2	100.2	N/A									
N/A	343.0	105.3	N/A									
N/A	240.8	100.2	N/A									
N/A	281.5	110.3	N/A									

A - Cash Trap Trigger 112%

B- Cash Trap Trigger 125%

				curitised Loan Basis		
		ICR SUMMARY			DSCR SU	MMARY
.oan No.	Facility	Gross Interest See note 1	Net Interest (inc Hedge) See note 2	Facility	Gross Interest See note 1	Net Interest (inc Hedge See note 2
1						
2	105.0	490.2	137.8	N/A	490.2	137.8
3	105.0	433.8	125.1	N/A	349.7	117.0
4	115.0	343.0	105.3	N/A	343.0	105.3
5	105.0	504.9	140.6	N/A	288.3	116.3
6	100.0	591.5	178.4	N/A	501.7	169.3

Note 1	Ratio calculated per requirement of CREFC report i.e. Gross Interest / Finance Cost excluding the benefit/cost of hedge, on a 12 month Trailing Actual basis.
Note 2	Ratio calculated including the benefit/cost of hedge, on a 12 month Trailing Actual basis.
Note 3	Calculated in accordance with the requirements of the Facility Agreement i.e. forecast on a 12 month forward looking basis.

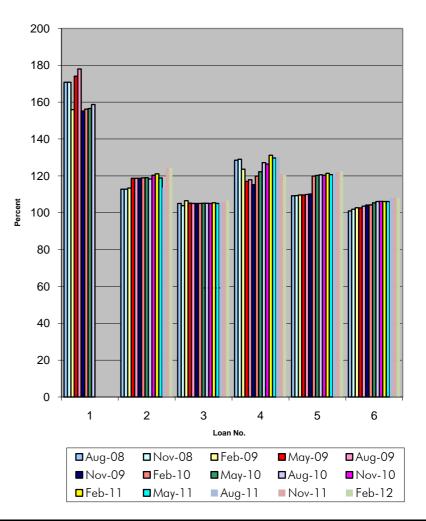


	Whole	e Loan				Securitisation			
Reference Obligation	Original Whole Loan	Current Amount Outstanding	Original Loan	Repayment Amount	Prepayment Amount	Cumulative Scheduled Amortisation	Cumulative Unscheduled Amortisation	Unpaid Amortisation	Current Amount Outstanding
Castle Properties (Jersey) Limited	11,320,000	0	11,320,000	9,731,330	1,588,670	0	0	0	0
Chainmill Properties Limited	46,290,000	46,290,000	40,000,000	0	0	0	0	0	40,000,000
Kirkglade Limited	149,810,000	147,130,000	129,810,000	0	0	2,322,220	0	0	127,487,780
Carlton House Investments Limited	12,440,000	11,925,000	12,440,000	0	0	515,000	0	0	11,925,000
Fern Trustee 1 Ltd & Fern Trustee 2 Ltd	49,873,073	47,802,214	43,873,073	0	0	1,821,735	0	0	42,051,338
Oriel Property Limited	32,999,542	14,885,642	23,429,675	0	17,734,182	143,855	462,834	0	5,088,804
Total	302,732,615	268,032,856	260,872,748	9,731,330	19,322,852	4,802,810	462,834	0	226,552,923



ICR History (per Facility Agreement covenant)

Loan No.	1	2	3	4	5	6	WA
Covenant	120.0	105.0	105.0	115.0	105.0	100.0	105.5
Cash trap trigger	140.0	112.0	n/a	125.0	n/a	n/a	
Closing	170.9	112.0	106.2	122.5	107.9	100.3	108.4
Feb-07	177.8	112.0	106.0	129.4	107.9	100.3	108.5
May-07	186.1	112.0	105.8	133.8	107.7	100.3	110.6
Aug-07	181.5	112.0	105.8	131.9	109.6	100.3	110.7
Nov-07	184.1	112.0	105.6	131.5	109.3	100.3	110.6
Feb-08	188.2	112.0	106.4	132.7	109.1	100.2	111.1
May-08	177.6	112.0	105.9	129.3	109.1	101.0	110.4
Aug-08	170.8	112.7	105.1	128.5	109.2	100.9	110.4
Nov-08	170.8	112.7	103.8	129.0	109.3	101.9	109.3
Feb-09	155.9	113.4	106.5	123.6	109.6	102.7	110.1
May-09	174.1	118.6	105.2	117.0	109.7	102.6	110.5
Aug-09	178.0	118.6	105.0	117.9	109.9	103.5	110.7
Nov-09	155.2	118.6	105.0	115.2	110.2	104.2	109.9
Feb-10	156.2	119.0	105.0	119.9	119.9	104.2	111.8
May-10	156.5	119.0	105.1	122.2	120.2	105.4	112.1
Aug-10	158.7	118.3	105.1	127.2	120.6	106.1	112.4
Nov-10	0.0	120.3	105.1	126.4	120.3	106.2	111.1
Feb-11	0.0	121.1	105.4	131.2	121.3	106.1	111.7
May-11	0.0	118.8	105.0	129.7	120.7	106.1	111.0
Aug-11	0.0	113.6	105.7	130.3	121.4	108.0	110.9
Nov-11	0.0	124.0	105.9	121.0	122.1	108.0	112.5
Feb-12	0.0	124.4	106.6	120.5	122.5	108.0	113.2



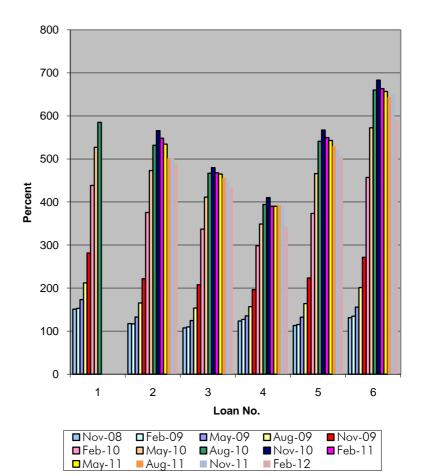
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The above ICR covenant calculations have been made in accordance with the requirements of the respective Whole Loan Facility Agreements (i.e. 12 month forward looking basis).



ICR History (Securitised Loan Basis)

Loan No.	1	2	3	4	5	6	WA
Covenant	120.0	105.0	105.0	115.0	105.0	100.0	
Cash trap trigger	140.0	112.0	n/a	125.0	n/a	n/a	
Closing per OC	179.4	131.8	123.7	133.7	125.2	151.9	130.6
Feb-07	167.4	131.9	118.3	131.0	120.7	142.9	122.1
May-07	165.6	129.6	115.0	137.2	118.1	137.0	123.0
Aug-07	163.0	128.0	114.0	128.0	117.0	136.0	121.4
Nov-07	160.0	125.0	111.0	126.0	115.0	134.0	120.1
Feb-08	155.0	119.0	107.0	122.0	112.0	129.0	114.5
May-08	153.2	117.6	106.8	120.7	112.0	129.1	114.0
Aug-08	151.8	116.4	106.4	120.9	112.0	129.2	113.5
Nov-08	151.1	117.3	107.6	123.5	112.9	131.2	114.7
Feb-09	152.9	116.8	109.5	127.1	115.3	134.6	116.4
May-09	173.4	132.8	124.7	135.4	132.3	155.8	132.4
Aug-09	212.1	165.3	153.5	156.7	163.8	201.3	163.8
Nov-09	281.7	221.7	208.0	196.4	223.6	271.4	220.8
Feb-10	438.5	375.7	336.9	298.4	373.2	457.2	362.0
May-10	526.9	473.1	411.4	348.7	466.1	572.2	446.2
Aug-10	584.9	531.9	466.9	394.1	541.2	660.2	508.0
Nov-10	0.0	565.6	479.8	410.1	567.2	683.1	524.6
Feb-11	0.0	548.3	467.9	390.0	549.8	663.7	509.8
May-11	0.0	534.3	464.9	390.3	542.9	656.9	504.1
Aug-11	0.0	501.6	455.7	392.6	530.4	643.3	486.7
Nov-11	0.0	501.0	447.6	390.4	520.3	649.2	480.7
Feb-12	0.0	490.2	433.8	343.1	504.9	591.5	455.7



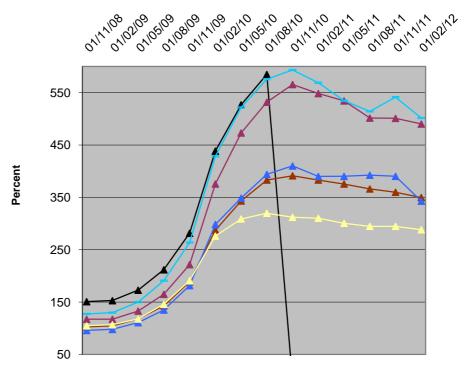
Commentary:

The ICR is calculated on the basis of NOI as a ratio to gross loan interest payable on the securitised loan (The interest cost **EXCLUDES** any financial benefit / cost derived from Interest Rate hedging arrangements). The low interest rate environment that presently exists accounts for the improvement in the ratios.



DSCR History Securitised Loan Basis (NOI)

%	1	2	3	4	5	6
Feb-07	167	132	113	101	115	143
May-07	167	131	110	100	111	140
Aug-07	163	128	108	99	110	136
Nov-07	160	125	107	97	109	133
Feb-08	155	119	102	95	104	129
May-08	153	118	102	94	104	129
Aug-08	152	116	102	94	104	129
Nov-08	151	117	103	96	105	127
Feb-09	153	117	105	98	107	130
May-09	173	133	118	111	118	150
Aug-09	212	165	143	135	146	191
Nov-09	282	222	189	182	191	264
Feb-10	439	376	287	298	276	428
May-10	527	473	343	349	309	522
Aug-10	585	532	383	394	320	576
Nov-10	0	566	391	410	312	593
Feb-11	0	548	383	390	310	569
May-11	0	534	376	390	301	535
Aug-11	0	502	366	393	295	514
Nov-11	0	501	360	390	295	541
Feb-12	0	490	350	343	288	502



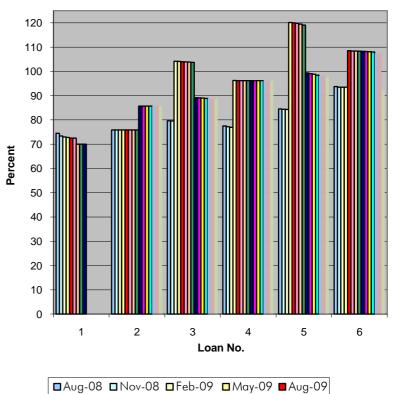
Commentary

DSCR is calculated on the basis of NOI as ratio to Debt Service on securitised loan. (The interest cost **EXCLUDES** any financial benefit/cost relating to Interest Rate hedging arrangements). The low interest rate environment that presently exists accounts for the improvement in the ratios.



LTV History (Whole Loan Basis)

Loan No.	1	2	3	4	5	6	WA
Covenant	75.0	n/a	80.2	85.0	85.5	85.0	
Closing	79.2	75.9	80.2	80.3	85.3	84.5	80.8
Feb-07	79.2	75.9	80.1	80.3	85.2	84.5	80.8
May-07	79.2	75.9	80.0	79.5	85.2	84.5	80.7
Aug-07	79.2	75.9	80.0	79.1	85.0	84.5	80.6
Nov-07	79.2	75.9	79.9	79.1	85.0	84.5	80.6
Feb-08	79.2	75.9	79.9	78.3	84.9	84.5	80.5
May-08	74.5	75.9	79.7	77.9	84.6	84.5	80.2
Aug-08	74.5	75.9	79.7	77.6	84.5	93.7	81.2
Nov-08	73.4	75.9	79.6	77.2	84.4	93.5	81.0
Feb-09	73.0	75.9	104.2	76.9	84.3	93.5	93.2
May-09	72.8	75.9	104.1	96.2	120.1	93.5	99.8
Aug-09	72.5	75.9	104.0	96.2	120.0	108.5	101.4
Nov-09	72.5	75.9	103.9	96.2	119.8	108.4	101.3
Feb-10	70.0	75.9	103.8	96.2	119.4	108.4	101.2
May-10	70.0	75.9	103.7	96.2	119.1	108.3	101.0
Aug-10	70.0	85.7	89.1	96.2	99.4	108.3	92.1
Nov-10	0.0	85.7	89.1	96.2	99.1	108.2	92.7
Feb-11	0.0	85.7	89.0	96.2	98.8	108.1	92.6
May-11	0.0	85.7	88.9	96.2	98.4	108.0	92.5
Aug-11	0.0	85.7	88.8	96.2	98.1	107.4	92.0
Nov-11	0.0	85.7	88.7	96.2	98.1	107.4	91.9
Feb-12	0.0	85.7	88.6	96.2	97.6	92.3	90.3



Aug-08	1 100-08		■ May-09	Aug-09
Nov-09	D Feb-10	■May-10	Aug-10	Nov-10
∎Feb-11	■ May-11	Aug-11	Nov-11	Feb-12

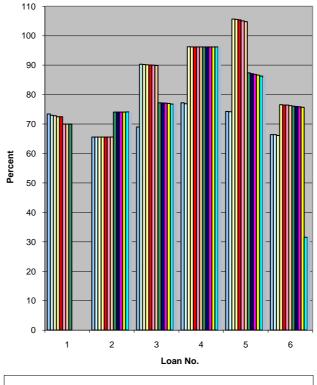
Commentary

The LTV covenant calculations are made in accordance with the requirements of the respective Whole Loan facility agreements.

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LTV History (Securitised Loan Basis)

Loan No.	1	2	3	4	5	6	WA
Covenant (Whole Loan)	75.0	n/a	80.2	85.0	85.5	85.0	
Closing per OC	79.2	65.6	69.4	80.3	75.0	60.0	69.9
Feb-07	79.2	65.6	69.4	79.8	75.0	60.0	69.8
Мау-07	79.2	65.6	69.4	79.5	74.9	60.0	69.8
Aug-07	79.2	65.6	69.2	79.1	74.7	60.0	69.6
Nov-07	79.2	65.6	69.2	79.1	74.7	60.0	69.6
Feb-08	79.2	65.6	69.2	78.3	74.6	60.0	69.6
May-08	74.5	65.6	69.1	77.9	74.5	60.0	69.3
Aug-08	74.5	65.6	69.0	77.6	74.4	66.5	69.8
Nov-08	73.4	65.6	69.0	77.2	74.3	66.4	69.7
Feb-09	73.0	65.6	90.3	76.9	74.2	66.4	80.3
May-09	72.8	65.6	90.2	96.2	105.7	66.1	86.4
Aug-09	72.5	65.6	90.1	96.2	105.5	76.6	87.3
Nov-09	72.5	65.6	90.0	96.2	105.4	76.5	87.2
Feb-10	70.0	65.6	90.0	96.2	105.1	76.5	87.0
May-10	70.0	65.6	89.9	96.2	104.8	76.2	86.9
Aug-10	70.0	74.1	77.2	96.2	87.4	76.1	79.0
Nov-10	0.0	74.1	77.2	96.2	87.1	76.0	79.2
Feb-11	0.0	74.1	77.1	96.2	86.9	75.9	79.1
May-11	0.0	74.1	77.0	96.2	86.6	75.7	79.0
Aug-11	0.0	74.1	76.8	96.2	86.3	31.6	78.4
Nov-11	0.0	74.1	76.9	96.2	86.1	68.0	78.4
Feb-12	0.0	74.1	76.8	96.2	85.8	31.6	78.0



■Nov-08 ■Feb-09 ■May-09 ■Aug-09 ■Nov-09 ■Feb-10 ■May-10 ■Aug-10 ■Nov-10 ■Feb-11 ■May-11 ■Aug-11 ■Feb-12

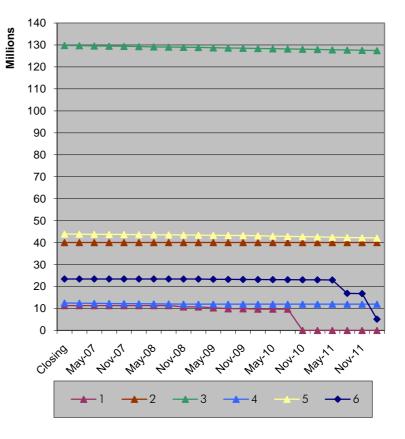
Commentary

The above calculations have been made on the basis of the most recent valuations against the securitised loan balance outstanding.



Balance History (Securitised Loans)

	1	2	3	4	5	6
Closing	11,320,000	40,000,000	129,810,000	12,440,000	43,873,073	23,429,675
Feb-07	11,320,000	40,000,000	129,723,350	12,380,000	43,842,207	23,424,978
May-07	11,320,000	40,000,000	129,576,045	12,320,000	43,772,758	23,424,742
Aug-07	11,320,000	40,000,000	129,485,063	12,260,000	43,723,883	23,424,440
Nov-07	11,320,000	40,000,000	129,394,080	12,200,000	43,674,269	23,423,963
Feb-08	11,320,000	40,000,000	129,303,097	12,140,000	43,623,904	23,423,479
May-08	11,320,000	40,000,000	129,168,790	12,080,000	43,558,433	23,423,332
Aug-08	11,320,000	40,000,000	129,073,475	12,020,000	43,506,316	23,422,838
Nov-08	10,720,000	40,000,000	128,986,825	11,960,000	43,453,411	23,378,152
Feb-09	10,720,000	40,000,000	128,900,175	11,925,000	43,392,562	23,375,097
May-09	10,289,876	40,000,000	128,744,205	11,925,000	43,323,667	23,279,166
Aug-09	9,881,330	40,000,000	128,644,558	11,925,000	43,268,000	23,234,318
Nov-09	9,881,330	40,000,000	128,540,578	11,925,000	43,204,376	23,197,159
Feb-10	9,731,330	40,000,000	128,436,598	11,925,000	43,080,756	23,159,824
May-10	9,731,330	40,000,000	128,306,623	11,925,000	42,955,288	23,122,309
Aug-10	9,731,330	40,000,000	128,219,973	11,925,000	42,827,941	23,084,613
Nov-10	0	40,000,000	128,111,660	11,925,000	42,698,690	23,046,722
Feb-11	0	40,000,000	128,003,348	11,925,000	42,588,566	23,020,394
May-11	0	40,000,000	127,834,380	11,925,000	42,434,726	22,970,171
Aug-11	0	40,000,000	127,721,735	11,925,000	42,299,592	16,865,825
Nov-11	0	40,000,000	127,604,758	11,925,000	42,183,299	16,757,495
Feb-12	0	40,000,000	127,487,780	11,925,000	42,051,338	5,088,804



Commentary

Balance history relates to securitised loan balances only.

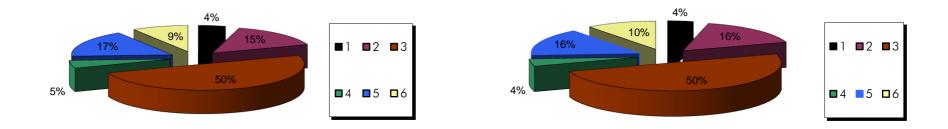
Loan 1 (Castle) Repaid in full on the 25/10/2010



Reference Obligation	No of Properties	No of Tenants	Reference Obligation Amount (Cut Off)	Cut off Valuation	Valuer	Valuation Date	Property Type	Region
1	5	26	11,320,000	14,300,000	Cushman and Wakefield, Healey and Baker	28/10/2005	Mixed Use - Industrial, Retail and Office	Jersey, UK
2	1	3	40,000,000	61,000,000	GVA Grimley LLP	03/05/2006	Office	London, UK
3	1	9	129,810,000	187,000,000	Jones Lang Lasalle	03/08/2006	Office	London,UK
4	3	43	12,440,000	15,500,000	GVA Grimley LLP	27/06/2006	Mixed Use Commercial	Midlands, UK
5	1	3	43,873,073	58,500,000	Jones Lang Lasalle	02/08/2006	Office	Scotland, UK
6	11	1	23,429,675	39,050,000	Colliers CRE	29/08/2006	Retail	UK, various
Total	22	85	260,872,748	375,350,000				

Obligation Amount





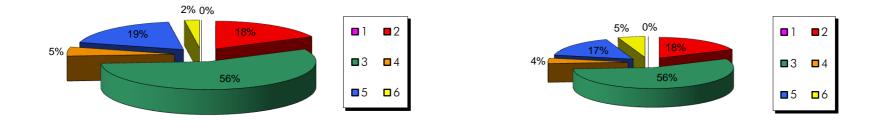


Balance / Valuation History (Current)

Reference Obligation 1	No of Properties 0	No of Tenants (Commercial) 0	Reference Obligation Amount (Current) 0	Current Valuation	Valuer	Valuation Date	Property Type	Region
2	1	2	40,000,000	54,000,000	DTZ	23/02/2010	Office	London, UK
3	1	9	127,487,780	166,000,000	Jones Lang Lasalle	18/06/2010	Office	London,UK
4	3	38	11,925,000	12,390,000	GVA Grimley LLP	16/04/2009	Mixed Use Commercial	Midlands, UK
5	1	3	42,051,338	49,000,000	Jones Lang Lasalle	24/06/2010	Office	Scotland, UK
6	5	1	5,088,804	16,125,000	* Colliers CRE	27/01/2012	Retail	UK, various
Total	11	53	226,552,923	297,515,000	* value adjusted for sales	•		•

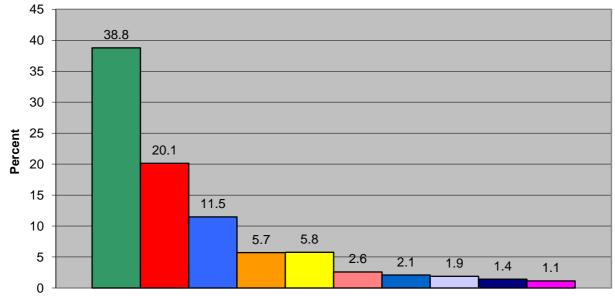
Balance History

Current Valuation





Rank	Tenant	Net Rental Income p.a (£)	%of Net Annual rent	Cumulative %
1	John Lewis Partneship	7,400,000	38.8	38.8
2	McKinsey and Co Inc UK	3,841,944	20.1	58.9
3	Network Rail Infrastructure	2,190,456	11.5	70.4
4	Transport Scotland	1,097,635	5.8	76.1
5	Somerfield Stores Ltd	1,769,702	5.7	81.8
6	National Westminster Bank plc	495,000	2.6	84.4
7	Mc Donalds Property Company Ltd	397,500	2.1	86.5
8	DSG Retail Ltd	360,000	1.9	88.4
9	Out of Africa t/a Mint Leaf	270,000	1.4	89.8
10	Scott Wilson Railways	218,248	1.1	90.9



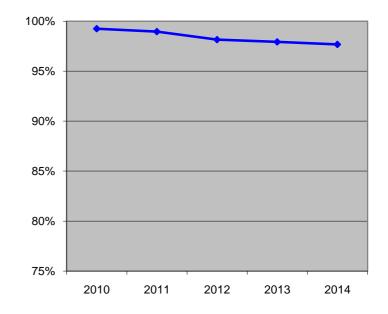


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Lease Expiry Profile

Year	Rental Income Expiring (%)	Total Income Less Expiry (%)	Rental Income Expiring / Breaking (£)	Total Income Less Expiry (£)
2010	0.76%	99.24%	£158,000	£18,926,609
2011	0.29%	98.95%	£60,280	£18,866,329
2012	0.80%	98.15%	£167,109	£18,699,220
2013	0.22%	97.93%	£46,650	£18,652,570
2014	0.25%	97.68%	£52,600	£18,599,970
2015	5.31%	92.36%	£1,109,300	£17,490,670
2016	2.00%	90.36%	£418,140	£17,072,530
2017	0.11%	90.25%	£23,756	£17,048,774
2018	18.83%	71.41%	£3,931,019	£13,117,755
2019	1.76%	69.65%	£368,049	£12,749,706
2020	0.82%	68.82%	£172,000	£12,577,706
2021	5.32%	63.50%	£1,111,090	£11,466,616
2022	0.57%	62.93%	£118,500	£11,348,116
2024	11.66%	51.27%	£2,434,656	£8,913,460
2031 and later	42.71%	8.56%	£8,913,460	£0

Total Income Less Expiry %





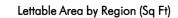
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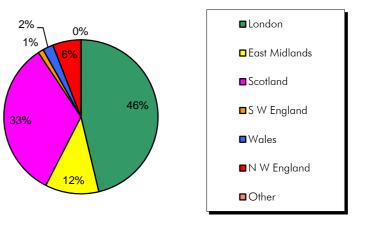
Vacancies / Voids

Loan	Lettable area (Sq ft)	Vacant area (Sq ft)	Vacancy % (cut off)	Vacancy (previous quarter)	Vacancy (current)
1	0	0	0.0%	0.0%	0.0%
2	70,169	0	0.0%	0.0%	0.0%
3	224,935	0	0.0%	0.0%	0.0%
4	71,880	3,327	0.8%	9.2%	4.6%
5	196,871	3,448	1.7%	1.8%	1.8%
6	73,992	0	0.0%	0.0%	0.0%
Total	637,847	6,775	0.81%	1.46%	1.06%

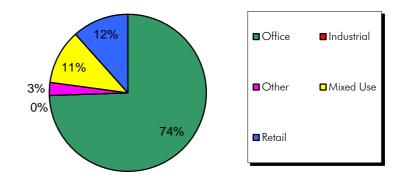
Region	Lettable area (Sq ft)	Vacant area (Sq ft)	Vacancy % (cut off)	Vacancy (previous quarter)	Vacancy (current)
London	295,104	0	0.0%	0.0%	0.0%
East Midlands	71,880	3,327	4.6%	8.2%	4.6%
Scotland	211,491	3,448	1.6%	1.6%	1.6%
S W England	7,345	0	0.0%	0.0%	0.0%
Wales	14,084	0	0.0%	0.0%	0.0%
N W England	37,943	0	0.0%	0.0%	0.0%
Other	0	0	0.0%	0.0%	0.0%
Total	637,847	6,775	0.81%	1.46%	1.06%

Sector	Lettable area (Sq ft)	Vacant area (Sq ft)	Vacancy % (cut off)	Vacancy (previous quarter)	Vacancy (current)
Office	474,933	6,775	0.8%	1.4%	1.4%
Industrial	0	0	11.8%	0.0%	0.0%
Other	17,042	0	0.0%	0.0%	0.0%
Mixed Use	71,880	0	0.0%	0.0%	0.0%
Retail	73,992	0	0.0%	2.6%	0.0%
Total	637,847	6,775	0.81%	1.46%	1.06%





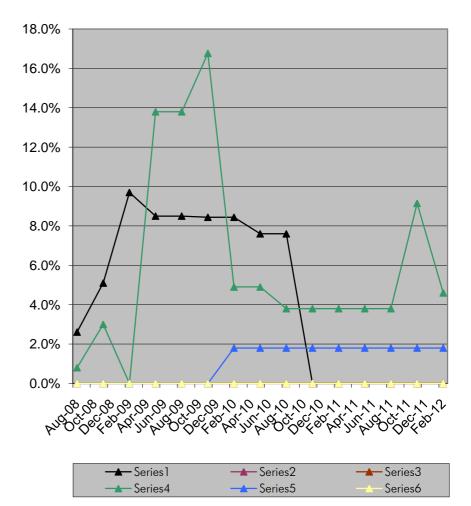
Lettable Area by Sector (Sq Ft)





Vacancy History

	1	2	3	4	5	6
Closing	2.6%	0.0%	0.0%	0.9%	1.7%	0.0%
Feb-07	2.6%	0.0%	0.0%	0.9%	1.7%	0.0%
May-07	2.6%	0.0%	0.0%	0.9%	1.7%	0.0%
Aug-07	2.6%	0.0%	0.0%	0.8%	0.0%	0.0%
Nov-07	2.6%	0.0%	0.0%	0.8%	0.0%	0.0%
Feb-08	2.6%	0.0%	0.0%	0.8%	0.0%	0.0%
May-08	2.6%	0.0%	0.0%	0.8%	0.0%	0.0%
Aug-08	2.6%	0.0%	0.0%	0.8%	0.0%	0.0%
Nov-08	5.1%	0.0%	0.0%	3.0%	0.0%	0.0%
Feb-09	9.7%	0.0%	0.0%	0.0%	0.0%	0.0%
May-09	8.5%	0.0%	0.0%	13.8%	0.0%	0.0%
Aug-09	8.5%	0.0%	0.0%	13.8%	0.0%	0.0%
Nov-09	8.4%	0.0%	0.0%	16.8%	0.0%	0.0%
Feb-10	8.4%	0.0%	0.0%	4.9%	1.8%	0.0%
May-10	7.6%	0.0%	0.0%	4.9%	1.8%	0.0%
Aug-10	7.6%	0.0%	0.0%	3.8%	1.8%	0.0%
Nov-10	0.0%	0.0%	0.0%	3.8%	1.8%	0.0%
Feb-11	0.0%	0.0%	0.0%	3.8%	1.8%	0.0%
May-11	0.0%	0.0%	0.0%	3.8%	1.8%	0.0%
Aug-11	0.0%	0.0%	0.0%	3.8%	1.8%	0.0%
Nov-11	0.0%	0.0%	0.0%	9.2%	1.8%	0.0%
Feb-12	0.0%	0.0%	0.0%	4.6%	1.8%	0.0%



Commentary	



Loan 1

Castle Properties (Jersey) Limited

Loan Information		
Original Loan Balance £ £11,320,000		
Current Loan Balance	£0	
Amortisation per quarter £	Nil	
Prepayment	£9,731,330	
Status	Loan Repaid 25/10/10	
Dividend Trap exceeded		

Property Information	
Number of Properties	
Location/s	
Sector	
Total sq ft	
Vacancy sq ft	
Vacancy rate	
Passing Rent p.a.	
Net Rent p.a.	
No of Tenants	

Top 5 Tenants (Commercial)			
Tenant	Rent p.a.	Expiry Date	% of total rent

	Financ	ial Information
%	Whole	Securitised
	Calcula	ition per CREFC
Loan to Value		
ICR		
DSCR		
	Calculation p	per Facility Agreement
Loan to Value		
ICR*		
DSCR		

* 12 month forward looking covenant

Commentary

The Borrower prepaid the loan in full on the 25/10/2010



Original Loan Balance

Current Loan Balance

Amortisation per quarter Prepayment

Status

Dividend Trap exceeded

Number of Properties

Location/s Sector

Total sq ft

Vacancy sq ft

Vacancy rate

Passing Rent p.a.

Net Rent p.a. No of Tenants

Loan Information

Property Information

Loan 2

Top 5 Tenants			
Tenant	Rent p.a.	Expiry Date	% of total rent
Mc Kinsey and Co Inc UK	£3,841,944	24/03/2018	93.4%
Out of Africa	£270,000	28/09/2037	6.6%
Robson Services Limited	£3,280	01/08/2011	0.1%

	Financ	ial Information
%	Whole	Securitised
	Calcula	tion per CREFC
Loan to Value	85.7	74.1
ICR	399.5	490.2
DSCR	399.5	490.2
	Calculation p	er Facility Agreement
Loan to Value	85.7	74.1
ICR*	124.4	N/A
DSCR	N/A	N/A

* 12 month forward looking covenant

Commentary

Loan continues to perform in accordance with the terms of the underlying Facility Agreement.

£40,000,000 £40,000,000

Nil

0

Current

No

1 London

Office

70,169

0.0%

£4,115,224

£3,526,162

2

The Lease reversion of the ground and first floor office space to McKinsey became effective 29/9/2011 at a rent of £989,500p.a.or Market rate whichever is the lower. The market rent is currently being determined. The increased rental income accounts for the improvement in the ICR ratio.



Loan 3

Kirkglade Limited

Loan Information		
Original Loan Balance	£129,810,000	
Current Loan Balance	£127,487,780	
Amortisation per quarter	per amortisation schedule	
Prepayment	0	
Status	Watch List	
Dividend Trap exceeded	No	

Property In	formation
Number of Properties	1
Location/s	London
Sector	Office
Total sq ft	224,935
Vacancy sq ft	0
Vacancy rate	0.0%
Passing Rent p.a.	£9,280,600
Net Rent p.a.	£9,280,600
No of Tenants	9

Top 5 Tenants			
Tenant	Rent p.a.	Expiry Date	% of total rent
John Lewis Partnership	£7,400,000	20/04/2031*	79.7%
Nat West Bank plc	£495,000	29/09/2015	5.3%
Mc Donalds Property Ltd	£397,500	28/09/2015	4.3%
DSG Retail Ltd	£360,000	24/03/2016	3.9%
People Phone Limited	£170,500	20/11/2015	1.8%

	Financ	ial Information
%	Whole	Securitised
	Calcula	tion per CREFC
Loan to Value	88.6	76.8
ICR	359.4	433.8
DSCR	292.2	349.7
	Calculation p	er Facility Agreement
Loan to Value	88.6	76.8
ICR*	106.6	N/A
DSCR	N/A	N/A

* 12 month forward looking covenant

Commentary

The CREFC calculations for ICR and DSCR both **exclude** the **cost** of hedging.

The loan remains on the Servicer Watch list due to a continuing breach in the LTV covenant.

The renewal of the Moss Bros lease which expired in March 2010 has now been agreed however documentation is still pending, the new rent will be £126,100 per annum on a 10 year lease with a five year review.



Original Loan Balance Current Loan Balance

Amortisation per quarter

Prepayment

Status

Dividend Trap exceeded

Number of Properties

Location/s Sector

Total sq ft Vacancy sq ft

Vacancy rate

Passing Rent p.a. Net Rent p.a.

No of Tenants

Loan Information

Property Information

£12,440,000

£11,925,000

per amortisation schedule

0

Special Servicing

Yes

3 Midlands

Mixed Use Commercial 71,880

3,327

£1,062,086

£1,062,086

38 (commercial)

Loan 4

Carlton House Investments Limited

Top 5 Tenants					
Tenant	Rent p.a.	Expiry Date	% of total rent		
Town & Country Inns plc	£93,500	01/09/2034	8.80%		
Four Oaks Medical Centre	£92,500	30/06/2022	8.71%		
Fitness First Clubs	£80,000	30/12/2024	7.53%		
99p Stores Ltd	£60,000	22/12/2019	5.65%		
Majestic Wines	£50,540	20/09/2016	4.76%		

Financial Information						
%	Whole	Securitised				
	Calculation per CREFC					
Loan to Value	96.2	96.2				
ICR	343.0	343.0				
DSCR	343.0	343.0				
	Calculation	per Facility Agreement				
Loan to Value	96.2	96.2				
ICR*	120.5	120.5				
DSCR	N/A	N/A				
	N/A	IV/A				

* 12 month forward looking covenant

Commentary

The loan remains in Special Servicing and is subject to close monitoring of the cash flow, the Servicer continues to approve all items of expenditure in accordance with a pre agreed property cash flow. The ex Pier 39 restaurant has now been relet(for 20 years) at an initial annual rent of £40,000 p.a.increasing to £45,000 p.a. From year 4, with 5 yearly reviews.

We are currently in discussion with the Borrower regarding an extension to the amortisation holiday, which expired on 31/1/2012., in the meantime all interest due continues to be paid.



Loan 5

Fern Trustee 1 Ltd and Fern Trustee 2 Ltd

Loan Information				
Original Loan Balance	£43,873,073			
Current Loan Balance	£42,051,338			
Amortisation per quarter	per amortisation schedule			
Prepayment	0			
Status	Watch List			
Dividend Trap exceeded	No			

Property Information				
Number of Properties	1			
Location/s	Scotland			
Sector	Office			
Total sq ft	196,871			
Vacancy sq ft	3,448			
Vacancy rate	1.8%			
Passing Rent p.a.	£3,506,339			
Net Rent p.a.	£3,506,339			
No of Tenants	3			

Top 5 Tenants					
Tenant	Rent p.a.	Expiry Date	% of total rent		
Network Rail Infrastructure	£2,190,456	28/11/2024	62.5%		
Transport Scotland	£1,097,635	28/04/2021	31.3%		
Scott Wilson Railways	£218,248	28/11/2019	6.2%		

Financial Information				
% Whole Securitised				
Calculation per CREFC				
Loan to Value	97.6	85.8		
ICR	414.7	504.9		
DSCR	240.8	288.3		
	Calculation per F	acility Agreement		
Loan to Value	97.6	85.8		
ICR*	122.5	N/A		
DSCR	N/A	N/A		

* 12 month forward looking covenant

Commentary

The CREFC calculations for ICR and DSCR both **exclude** the **cost** of hedging.

The loan remains on the Servicer Watch list due to a continuing breach in the LTV covenant.



Loan 6

Oriel Property Limited

Loan Information				
Original Loan Balance	£23,429,675			
Current Loan Balance	£5,088,804			
Amortisation per quarter	per amortisation schedule			
Prepayment	0			
Status	Special Servicing			
Dividend Trap exceeded	No			

Property Information				
Number of Properties	5			
Location/s	Various UK			
Sector	Retail			
Total sq ft	73,992			
Vacancy sq ft	0			
Vacancy rate	0.0%			
Passing Rent p.a.	£1,088,460			
Net Rent p.a.	£1,088,460			
No of Tenants	1			

	Te	op 5 Tenants		
Tenant	Rent p.a.	Expiry Date	% of total rent	
Somerfield Stores Limited	£1,088,460	20/09/2036	100.00%	
rent is subject to fix	ed uplift of 2.25% p.a. eff	ective 26/9		
		ĮĮ		
	Finar	ncial Information		
%	Whole		Securitised	
	Calcu	lation per CREFC		
Loan to Value	92.3		31.6	
ICR	319.9		591.5	
DSCR	281.5		501.7	
	Calculation	per Facility Agreement		
Loan to Value	92.3	31.6		
ICR*	108.0	N/A		
DSCR	N/A		N/A	
2 month forward looking covenc	Int			

Commentary

The CREFC calculations for ICR and DSCR both **exclude** the **cost** of hedging.

The loan matured on 31/10/2012 and the Special Servicer has been working closely with the Borrower to achieve an orderly repayment of the outstanding loan. Four properties were sold in November 2011, the net proceeds have been applied in reduction of the securitised loan, in accordance with the post default waterfall set out in the intercreditor Agreement with the B Lender. The outstanding securitised loan balance is now £5,088,804. The residual Whole Loan balance is to be refinanced by the B Lender, the process is well advanced and we expect full repayment via refinancing to occur prior to the end of February 2012. A revaluation of the residual portfolio of properties (5 properties) has been undertaken as part of the refinancing exercise, the value of these properties is currently £16,125,000.

CBRE

Amortisation

Loan No:		3	4	4	:	5		6
Period	Scheduled Amortisation on Securitised Loan	Actual Amortisation on Securitised Loan	Scheduled Amortisation on Securitised Loan	Actual Amortisation on Securitised Loan	Scheduled Amortisation on Securitised Loan	Actual Amortisation on Securitised Loan	Scheduled Amortisation on Securitised Loan	Actual Amortisation on Securitised Loan
Jan-07 Apr-07 Jul-07 Oct-07 Jan-08 Apr-08 Jul-08 Oct-08 Jan-09 Apr-09 Jul-09 Oct-09	86,650 147,305 90,983 90,983 134,308 95,315 86,650 86,650 155,970 99,648 103,980	86,650 147,305 90,983 90,983 134,308 95,315 86,650 86,650 155,970 99,648 103,980	60,000 60,000 60,000 60,000 60,000 60,000 35,000 * NIL * NIL *	60,000 60,000 60,000 60,000 60,000 60,000 35,000 NIL NIL NIL NIL	30,866 69,449 48,875 49,614 50,365 65,471 52,117 52,905 60,850 68,894 55,668 63,624	30,866 69,499 48,875 49,614 50,365 65,471 52,117 52,905 60,850 68,894 55,668 63,624	295 236 302 477 484 146 494 258 3,054 7,074 420 11,422	4,697 236 302 477 484 146 494 44,687 3,054 95,931 420 11,422
Jan-10 Apr-10 Jul-10 Oct-10 Jan-11 Apr-11 Jul-11 Oct-11 Jan-12 Apr-12 Jul-12 Oct-12 Jan-13 Apr-13 Oct-13 Jan-14 Apr-14 Jul-14	103,980 129,975 86,650 108,313 108,313 168,968 112,645 116,978 116,978 155,970 121,310 86,650 86,650 181,965 126,729,593	103,980 129,975 86,650 108,313 108,313 168,968 112,645 116,978 116,978	NIL * NIL * NIL * NIL * NIL * NIL * NIL * 130,000 130,000 130,000 130,000 140,000 140,000 140,000 150,000 150,000 150,000	NIL NIL NIL NIL NIL NIL NIL	123,619 125,469 127,346 129,251 110,124 153,839 135,135 116,292 131,961 147,785 136,192 138,252 140,343 162,930 41,180,905	123,619 125,469 127,346 129,251 110,124 153,839 135,135 116,292 131,961	11,598 11,777 11,959 20,532 8,969 32,863 21,495 23,285,820	11,598 11,777 11,959 20,532 8,969 32,863 21,495 0

* amortisation holiday period



Delinquency Information

Arrears, Losses and Recoveries

1.1 Loan arrears at the end of the Collection Period .

Days in Arrears	No. of Accounts	Arrears Balance	Total Balance
1-90	1		
91-180	1		
> 180	1		

Commentary:

1.2 No loan enforcement proceedings had begun at the end of the Collection Period

Months in Arrears	No. of Accounts	Arrears Balance	Total Balance	Status	Provision	Comments
1-3	Nil	Nil	Nil	N/A	N/A	N/A
4-6	Nil	Nil	Nil	N/A	N/A	N/A
7-9	Nil	Nil	Nil	N/A	N/A	N/A
10-12	Nil	Nil	Nil	N/A	N/A	N/A
>12	Nil	Nil	Nil	N/A	N/A	N/A

Commentary:	

1.3 There are no ongoing loan enforcement proceedings

Borrower	Amount Written Off	Provision	Enforcement	Comments
N/A	Nil	N/A	N/A	N/A

Commentary:

There are no breaches of any terms of the Loans known to the Servicer likely to prejudice the value of the Loan

1.4

Borrower	Nature of Breach	Commenced	Comments

Commentary	

Orders for possession have been granted in respect of: $\ensuremath{\mathsf{N/A}}$

Orders for possession are pending in respect of: $\ensuremath{\mathsf{N/A}}$



SPECIAL NOTICES ISSUED NEMUS II (Arden) plc
None



Loan SWAP Rate Information

Loan	Rate Management	Fixed rate maturity date	Original Notional (£m)	Current Notional (£)	Swap Fixed Rate (excl. Margin)	Whole Loan Margin	Interest Rate (Incl. Margin)	Swap Counterparty
Loan No 1	Swap		9,622,000					
Loan No 2	Swap	10/07/2013	46,290,000	46,290,000	5.170%	0.9500%	6.1200%	HSBC Bank plc
Loan No 3	Extendable Swap	31/10/2013	150,000,000	147,130,000	4.990%	0.9000%	5.8900%	HSBC Bank plc
Loan No 4	Swap	31/10/2014	12,500,000	11,120,000	5.400%	1.0500%	6.4500%	HSBC Bank plc
Loan No 5	Swap	31/10/2013	50,000,000	47,802,214	5.100%	0.9000%	6.0000%	HSBC Bank plc
Loan No 6	Swap	31/10/2011	26,575,250	0	Swap Expired 31/10/11			HSBC Bank plc
	Swap	31/10/2011	6,424,532	0	Swap closed out 20/5/2011			HSBC Bank plc



Contacts

