

DRC Capital Announces Final Close of European Real Estate Debt Fund II in Excess of £487 million, Exceeding its Target Fund Size

15 May 2014: DRC Capital is pleased to announce the Final Close of the European Real Estate Debt Fund II, (ERED II) with total commitments in excess of £487 million, surpassing its target fund size of £400 million. ERED II is DRC Capital's second European commercial real estate debt fund.

Capital was raised from a diverse group of institutional investors across Europe and North America in particular attracting a number of significant commitments from new investors, with strong interest from pension funds. The successful Final Close of ERED II is reflective of investor confidence in the market opportunity and of the team's ability to source and manage real estate debt investments.

ERED II will continue the successful investment strategy of its 2011 vintage £300m predecessor fund, European Real Estate Debt Fund I (ERED I), of acquiring existing debt and originating new debt secured by European commercial property. The Fund will lend against all commercial real estate property types. DRC Capital, on behalf of the Funds it advises, has recently executed loans in the office, hotel and retail sectors in Western and Northern Europe. DRC Capital has advised on the provision and arrangement over £650m of financings across 22 investments.

DRC Capital's investment strategy aims to exploit the significant funding gap which has emerged as a result of the retrenchment of European banks. In 2008, the DRC Capital team pioneered the emergence of investment vehicles dedicated to real estate debt investing in Europe and has since become one of the most active mezzanine debt providers in European commercial real estate. ERED II closes with a strong deal pipeline, having already executed six portfolio investments focusing on the U.K. and Germany predominantly. ERED I made 16 investments in total, of which five have been fully realised to date.

Dale Lattanzio, Managing Partner of DRC Capital said, "We are very pleased with the broad market reception for ERED II. It is an exciting time in the evolution of the commercial real estate debt investment sector in Europe and we are focused on capturing the investment opportunity on behalf our investors."

Evercore acted as exclusive global placement agent for the fundraise.

About DRC Capital

DRC Capital LLP is an independent investment adviser focusing on the commercial real estate debt sector in Europe. Through its London-based dedicated debt investment platform, it offers advisory, origination, and investment services to investors seeking high quality returns from the emerging commercial real estate debt investment sector.

The Team has been at the forefront of developing debt structures for the commercial real estate sector. ERED I executed its final close in August 2011 of over £300m and is fully in the European commercial real estate debt space. Duet Real Estate Finance Ltd, a London Stock Exchange listed investment company raised £76m in 2011 and invested in ERED I. More information about DRC Capital can be found on the Company's website at www.drccap.com.

About Evercore

Evercore is a premier independent investment banking firm. Evercore's Investment Banking business advises its clients on mergers, acquisitions, divestitures, restructurings, financings, public offerings, private placements and other strategic transactions and also provides institutional investors with high quality research, sales and trading execution that is free of proprietary conflicts; Evercore's investment management business comprises wealth management, institutional asset management and private equity funds management. Evercore serves a diverse set of clients around the world from its offices in New York, Boston, Houston, Los Angeles, San Francisco, Washington D.C., London, Hong Kong, Sao Paulo, Mexico City and Monterrey, complemented by strategic alliances with leading firms in China, Japan, India, Korea, Russia and Argentina . More information about Evercore can be found on the Company's website at www.evercore.com.

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