



**Press release**

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**AREIT receives seal of distinction from Cityscape**

*Two awards in a row for Arabian Real Estate Investment Trust – Mid East property investment innovator honoured for exceptional accomplishment by top industry professionals*

The Arabian Real Estate Investment Trust (AREIT) has for the second successive year, received the Most Innovative Finance award at the Cityscape Middle East Real Estate Awards 2008. The prize-giving ceremony which was held at the luxurious Emirates Palace in Abu Dhabi, was a feature of the record breaking Cityscape Abu Dhabi, the capital's premier real estate investment and development showcase.

Accepting the award, Stephen Atkinson, CEO of AREIT said, "Last year we were recognised for establishing the region's first REIT and this year we have been honoured for completing the first rated commercial mortgage-backed securitisation (CMBS) transaction in the Middle East. To be recognised two years running by top industry professionals and our peers is a tribute indeed."

A panel of internationally acclaimed industry professionals were assembled to judge the entries, which included amongst others; Dr Sadek Owaitani, Chairman of the Council, Emirates Green Building Council; Khaleel Al Hosani, Vice Chairman, Society of Engineers; Abdulmajid Abdulrazzaq Al Khaja, C.E.O. Rail Agency, Roads & Transport Authority; Sophie Llewellyn, Board Member, Royal Institute of Chartered Surveyors (RICS); Rushdi Siddiqui, Global Director for the Dow Jones Islamic Market Indexes and Dr. Abdullah Ghareeb Al-Bloshe, Executive Director, Property Management, Department of Municipal Affairs, Emirate of Abu Dhabi.

AREIT's primary focus is investing in developed and specialised properties in prime locations throughout the GCC. In July 2007, AREIT completed the first transaction in the Middle East with senior notes rated Aa3 by Moody's and AA- by Fitch Ratings. The subordinated tranches also attracted investment-grade ratings.

The transaction involved the issue of US\$63,000,000 in secured floating rate notes to provide term finance for the acquisition of a Grade A multi-tenanted, purpose-built commercial office tower. With AREIT ratings for all classes of notes performing inline with Moody's expectations, the notes were recently re-affirmed.

In particular, the transaction demonstrated that AREIT can successfully utilise innovative financing which has the potential to attract further investment in a proven business model that is unique to this region, stated Atkinson.

According to Luxembourg-based Schroder Investment Management, Real Estate Investment Trusts (REITs) have created market capitalisation valued well in excess of US\$ 500 billion globally, by developing, managing and selling real estate assets which give investors access to a professionally-managed portfolio of real estate properties.

Focusing on realising property rental income and capital gains, their major advantage is liquidity. Compared to traditional private real estate ownership which is sometimes difficult to liquidate, REIT investments, once listed, make it easier for investors to buy and sell REIT assets/shares than to buy and sell properties in private markets.

We at AREIT believe this is one of the greatest developments in real estate and structured finance this region has ever seen. Moreover, I am confident that we will be in a position to list the Arabian Real Estate Investment Trust on the DIFX or another suitable exchange within the next 2-3 years, added Atkinson.

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**Photo caption: Stephen Atkinson (left) receives the award for 'Most Innovative Finance' from David Cheung, BD Manager, Industrial Innovation Group.**