



28 November 2011

Our ref: DC/AM/SE/ML2E5.14

Dear Sir/Madam

The British Real Estate Fund Limited (In Administration) (“the Company”)

I write by way of a brief update and following our correspondence of 7 November 2011.

The Administrators have appointed new managing agents over the Company’s properties who will be improving the property portfolio to achieve a better return to creditors in the medium term than could be achieved in the short term.

The Administrators’ overriding objective is to achieve the best possible return for the Company’s creditors and shareholders. However, based upon the levels of the Company’s liabilities and the value of its assets the shares currently have no value and it is not likely that there will be any return to shareholders.

I enclose a list of frequently asked questions which may assist you further. My role is to act in the interest of creditors and consequently I hope that you will understand that I am unable to enter into any further correspondence with individual shareholders regarding the Company.

Yours faithfully
for and on behalf of The British Real Estate Fund Limited (in Administration)

A handwritten signature in black ink, appearing to read 'Steve Le Page', written in a cursive style.

Steve Le Page
Joint Administrator

Stephen Le Page of PricewaterhouseCoopers CI LLP and David Christian Chubb of PricewaterhouseCoopers LLP were appointed joint administrators of The British Real Estate Fund (BREF), to manage its affairs, business and property as its agents, without personal liability. Stephen Le Page holds a Practising Certificate to engage in public practice as a Chartered Accountant issued by the Institute of Chartered Accountants in England and Wales and David Christian Chubb is licensed to act as an insolvency practitioner by the Institute of Chartered Accountants of England and Wales.

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PricewaterhouseCoopers CI LLP, a limited liability partnership registered in England with registered number OC309347, provides assurance, advisory, and tax services. The registered office is 1 Embankment Place, London WC2N 6RH and its principal place of business is Twenty Two Colomberie, St. Helier, Jersey JE1 4XA.