



American Realty Capital Trust closes on \$200 million Wells Fargo interim loan

May 21, 2012 - Financial Digest

American Realty Capital Trust, Inc. has closed on a \$200 million senior secured interim term loan led by Wells Fargo Bank, National Association. Proceeds from the loan were used to repay \$161.2 million of the company's outstanding mortgage indebtedness, related prepayment and other costs, and for general working capital purposes, including the repayment of \$23.8 million outstanding under the company's \$220 million revolving credit facility with RBS Citizens, N.A. The company expects the \$200 million interim term loan to be replaced by a senior secured five-year term loan facility led by Wells Fargo Bank, National Association.

As a result of the mortgage prepayments, the company's:

- * Annualized interest expense was reduced by \$4.3 million; and
- * Weighted-average interest rate on all borrowings was reduced from approximately 5.27% to approximately 4.42%.

"We are very pleased to have closed our interim term loan with Wells Fargo Bank," said William Kahane, chief executive officer of ARCT, "And we're looking forward to completing the new, five-year \$200 million senior secured term loan led by Wells within the next few months. This financing is a very important part of our plan to continue to reduce our cost of capital and provide the Company greater balance sheet flexibility."

Brian Jones, the company's chief financial officer, said, "The lending environment today is very favorable for well-positioned borrowers like ARCT. We believe the execution of this loan reflects both the quality of our balance sheet as well as the strength of our strong credit single-tenant, net lease commercial portfolio."

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540