

Brookland to lead GSW debt restructuring

Mike Phillips 20/08/2010 11:45

Debt advisory firm Brookland Partners has been appointed to advise the servicers and bondholders in one of Europe's largest and most complex debt restructurings.

The firm, headed by former Merrill Lynch director Nassar Hussain, has been appointed to advise the two servicers that are managing German residential firm GSW's €900m (£741.2m) of securitised debt.

GSW, which is owned by funds managed by Goldman Sachs and Cerberus, appointed fellow debt advisory firm Cairn Capital in July to advise it on refinancing or restructuring its debt, which matures next August.

The deal is complicated in that the €900m is split between two securitised debt vehicles, managed by two different servicers, Capita and Hatfield Philips, with two sets of securitised bondholders.

The servicers have agreed to work together in the best interests of bondholders, the first time such an agreement has been reached in Europe.

In May, GSW's owners tried to raise €456m through an initial public offering of shares in GSW on the Frankfurt Stock Exchange.

However, the Sovereign debt crisis caused by the problems in Greece and Portugal knocked investor confidence and the IPO was pulled.