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# Rothschild delays Alburn sell-down

Rothschild has suspended action to sell down the 45 secondary UK properties in Noel Smyth's Alburn Real Estate portfolio until the junior lender asserts its right to appoint a special servicer.

Rothschild, the primary servicer to the £188.05m REC 6 CMBS secured on the properties, has requested that a special servicer be confirmed by 21 December, after an earlier deadline of 7 December passed.

Brookland Partners, which

was appointed financial adviser by Rothschild, has recommended a managed sell-down to minimise losses for bondholders in the defaulted loan, and that in the absence of a consensual solution, enforcement steps should be taken.

CBRE, the property adviser, said £140.43m would be generated if 80% of the properties were sold within six months, with the remainder to be sold in 2015. A fire sale would net £121.22m, while holding on to

the assets for the next five years would return £122.36m.

The junior debt is now owned by Pearsanta, which bought the loan from the Co-operative Bank in November.

Pearsanta is thought to be affiliated with Alburn, which tried unsuccessfully to buy back the CMBS bonds last December and which wants to asset manage the portfolio to improve its value and extend the loan out to the bond's final legal maturity of 2016.