REAL ESTATE CAPITAL

Debt structurer offers non-vanilla options

By: Lauren Parr | 7 September 2015

Brookland Financial's niche lies in "structured finance rather than plain vanilla financing", says ex Merrill Lynch banker Nassar Hussain, who six years ago set up Brookland Partners, the real estate investment banking firm that launched a debt placement arm in July 2013.

"As a team of experienced investment bankers, we generally have more depth than other debt advisers," Hussain says. "We can arrange simple bilateral loans to complex, pan-European capital markets deals," he adds.

Brookland Partners sold a 40% stake to alternative investment manager Omni Partners last year to give it more heft to expand on its debt work-out roots. The new Brookland Financial's functions are to source senior, junior and whole-loan debt, acting mainly for wealthy individuals and medium-sized companies, which in many cases form joint ventures with larger parties.

The business also acts for lenders. "We're very relationship-based, meaning we follow clients and meet their needs across asset classes and jurisdictions," Hussain says. "We're happy to do smaller loans, but generally like medium to larger loans of €30m plus."

The team of 10, which works across both Brookland Financial and Brookland Partners, has completed financings in the UK, Ireland and Germany and is in the process of executing deals in France and Spain.

The business recently took on John Muldoon, from Hatfield Philips, who will be working on a debt origination product that will raise and manage third-party capital, and Gwen Hoy from GE Capital Real Estate, as senior debt asset manager and director of operations.

If securitisation is optimal it will get involved in structuring the CMBS process, from getting a rating, to launch and going out to investors. The team is working on one such deal now. The nature of capital markets deals has changed, notes Hussain, so Brookland may pre-place deals with a few investors. "An increasing number of hybrid deals are structured to look like a bond, as investors need them to be listed," he says. "But as they don't intend to trade them, they don't need the full bells and whistles of a CMBS deal."