
Three make the shortlist for Irish Castle Market buy

The list of bidders in the running to buy the former Treasury Holdings' Irish Castle Market portfolio has been whittled down to three.

Hypothekebank Frankfurt, (formerly Eurohypo), which is the special servicer to the €375m securitised Opera Finance (CMH) loan, and its adviser, Cairn Capital, have selected London & Regional, Kennedy Wilson and Northwood Investors.

KKR, TPG and Blackstone have now been ruled out of the bidding process.

London & Regional and Kennedy Wilson have made cash offers.

Northwood, which owns the €85m junior loan made against the portfolio, is looking to restructure the CMBS, which would give investors a better return in the long term.

Its proposal involves writing a new four-year loan, which would offer repriced class A coupons at around 350 basis points, and an equity injection.

It would involve extending the notes' final maturity date, which is 2015.

Brookland Partners is advising Northwood.

The last published valuation of the 15 mainly Dublin offices and Merchant's Quay shopping centre in Cork a year ago was €270m.