

US owners of City landmark miss loan payment



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The American owners of City Point Tower have defaulted on a loan interest payment in a move that could trigger the sale of one of the Square Mile's most recognisable buildings.

Beacon Capital Partners has owned the 35-storey tower since 2007 after buying it for £650 million from Tishman Speyer.

It has £535 million of debt secured against the building, which in July was valued at £447 million. The interest payment defaults have occurred on a £429 million securitised element of the loan. That loan was transferred yesterday to Morgan Stanley for "special servicing".

The default will put pressure on Beacon and the lenders, advised by Brookland Partners, to come to a consensual restructuring to ward off a potential firesale.

Beacon has until March 5 to produce a restructuring plan and inject new equity.