



## PRESS RELEASE

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### **Mount Street management completes buyout and announces strategic partnership with Aareal Bank**

Mount Street is pleased to announce the completion of a management buy-out of the ownership interest of Greenfield Partners and the entry into a new strategic partnership with Aareal Bank.

Mount Street is an independent business specialising in loan servicing, due diligence, facility agent roles, security trustee roles, loan underwriting and work out in relation to both performing and non-performing loans and portfolios, with offices in London, Frankfurt, Amsterdam and Athens. Mount Street and its affiliates are responsible today for €26 billion of commercial real estate debt (both CMBS and balance sheet positions) for a broad range of lenders throughout Europe.

Mount Street's principal seed backer - Greenfield Partners - invested in the company at launch in 2013 and is now executing a profitable exit. Greenfield's equity stake will be acquired by a combination of Mount Street's founders - Ravi Joseph and Paul Lloyd – and Aareal Bank, with Aareal Bank taking a minority stake.

Simultaneously with the buy-out, Mount Street and Aareal Bank have signed a letter of intent for a strategic partnership to support Aareal's commercial real estate credit and syndication processes – particularly in the syndication business with banks and insurance companies – with Mount Street products such as loan agency and servicing functions.

As part of the strategic partnership, Mount Street, with the support of Aareal, intends to further expand its business relationships in the banking and insurance sectors in the coming years given the expected significant increase in demand for services in the area of credit management.

The innovative loan servicing software platform CLC (Clareti Loan Control) developed by Mount Street is an important part of the partnership with Aareal. This IT has been developed by Mount Street in GMS Loan Technologies Ltd, the joint venture with Gresham Technologies plc.

Managing Partner Paul Lloyd commented: "Mount Street seeks to be a partner and solutions provider to banks, insurance companies and alternative lenders. Many European banks seek to restructure, exit non-core businesses, and optimize the profit margins in their core businesses. The intersection of technology and Business Process Optimisation can drive changes in banking business models. With this partnership we will provide value to Aareal, its business partners and third parties."

Last month Mount Street announced a strategic transaction with EAA which exemplifies a different type of solution: partnering with a financial institution to acquire the platform which manages a €29bn wind-down portfolio of NPLs, ABS, leveraged credit, asset finance and structured finance assets. This acquisition will add portfolio management of €29bn of diversified performing and non-performing credits to approximately €26bn of commercial real estate loans and bonds that the company currently manages, bringing Mount Street's total AUM to over €55bn.

CEO Ravi Joseph concluded by saying: "After these transactions, Mount Street is well-positioned for the future, with a stable capital structure supported by strategic investors. We offer a broad range of services to the credit and asset finance markets, including loan and bond servicing, credit analysis, valuation, and debt restructuring and workout capabilities from a very experienced team across a broad array of asset classes. We are the only firm offering these capabilities in the European markets".

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## **About Mount Street**

Mount Street is an independent company specialising in loan servicing, due diligence, facility agent roles, security trustee roles, loan underwriting and work out, with offices in London, Frankfurt, Amsterdam and Athens. The Mount Street team have an established track record having managed and resolved commercial real estate loans across multiple lending platforms since 1997. Mount Street and its affiliates are responsible for more than €26 billion of commercial real estate debt (both CMBS and balance sheet positions) for a broad range of lenders throughout Europe. On receipt of regulatory approval, completion of the EPA acquisition will bring AUM to over €55bn and expand the spectrum of asset classes managed from commercial real estate loans to also include ABS, CDOs and corporate infrastructure loans.

Additional information about Mount Street can be found at [www.mountstreetllp.com](http://www.mountstreetllp.com).

## **Aareal Bank Group**

Aareal Bank Group, headquartered in Wiesbaden, Germany, is one of the leading international property specialists. It is active across three continents – in Europe, North America and Asia. Aareal Bank AG, whose shares are included in Deutsche Börse's MDAX index, is the Group's parent entity. It manages the various entities organised in the Group's two business segments: Structured Property Financing and Consulting/Services. The Structured Property Financing segment encompasses all of Aareal Bank Group's property financing and funding activities. In this segment, the Bank facilitates property investment projects for its domestic and international clients, within the framework of a three-continent strategy covering Europe, North America and Asia. In the Consulting/Services segment, Aareal Bank Group offers clients – particularly from the housing industry and the commercial property sector – services and products for managing residential property portfolios and processing payment flows.

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