



## PRESS RELEASE

26 October 2017

### **Mount Street's acquisition of EAA Portfolio Advisers GmbH (EPA) receives regulatory approval from BaFin and Bundesbank**

Mount Street is pleased to announce the successful closing of its acquisition of EAA Portfolio Advisers (EPA) from Erste Abwicklungsanstalt (EAA). EPA will be renamed Mount Street Portfolio Advisers (MSPA). An agreement between Mount Street and EAA was signed in December 2016 subject to receipt of regulatory approval from BaFin and the Bundesbank which has now been received.

At the end of 2009 EAA was created as the "bad bank" to manage the assets of the former WestLB AG. EAA was founded as a public law agency under the German Financial Market Stabilisation Fund Act. Its shareholders are primarily the German State of North-Rhine Westphalia (NRW) and NRW's Savings Banks Associations. EAA took over the responsibility for the wind-down of WestLB's portfolio of more than €200bn. This portfolio comprises a diverse range of complex non-performing loans, ABS, leveraged credit, asset finance and structured finance assets.

MSPA's experts have managed this portfolio over the past 7 years and have enabled EAA to reduce the outstanding balance to approximately €22bn, while always remaining ahead of the schedule agreed with EAA and its stakeholders. By all measures, both EAA and MSPA have delivered excellent results for their stakeholders.

Mount Street has acquired the whole of MSPA, including its approximately 70 employees at offices in London, Düsseldorf, New York and Madrid.

With funds under administration of €22bn, this platform transfer and management contract is by far the largest of its kind ever completed in Europe. The selection of Mount Street by EAA, acting on behalf of the state of NRW and the other stakeholders, comes after a rigorous selection process spanning more than six months to identify the partner best qualified to provide the optimal combination of integrity, professionalism and experience in the structured credit asset class, together with the highest standard of commitment and responsiveness to client requirements and sensitivities.

With this acquisition Mount Street adds a portfolio of €22bn of diversified performing and non-performing credits to approximately €26bn of commercial real estate loans and bonds that the company currently services, bringing the total funds under administration to over €48bn. Furthermore, the integration of MSPA's highly skilled credit portfolio management team into the Mount Street platform allows the company to diversify its product offer beyond its existing activities in loan and bond servicing. The new MSPA will now provide best in class credit surveillance and management products enabling end-to-end portfolio management, from modelling and valuation of single positions to overall portfolio management, restructuring and exit strategies.



Ravi Joseph, Mount Street CEO and co-founder, commented “Our acquisition of EPA and the subsequent creation of MSPA is a significant development in the Mount Street story. It demonstrates that we are the partner of choice, not just for the servicing and facilitation of real estate loans, but that also for banks and state entities considering strategic moves of this nature. Expanding our footprint into other asset classes and sectors, including credit, asset and structured finance, and into aviation, shipping and infrastructure, the transaction marks an important evolution of our business and makes us entirely unique in our industry.”

For the Mount Street brand, this transaction reaffirms our pre-eminent credentials as the counterparty of choice for banks and state entities considering strategic transactions of this nature. For the leadership of Mount Street, who have extensive prior experience in credit, asset finance, and structured finance, this expansion is a natural progression in the evolution of our firm”.

Paul Lloyd, Managing Partner and co-founder, said “In the last four years, Mount Street has built an outstanding reputation in the CRE market as a best in class servicer with unrivalled client reporting and customer relations. In MSPA we have now created a new and diversified business model looking forward for the next 5-10 years. We will not only offer our core capabilities across a greater range of assets and markets, but we can also provide structural and strategic solutions to participants in the debt markets all across Europe and beyond.”

ENDS –

**Notes to Editors:**

*Mount Street is an independent company specialising in loan servicing, due diligence, loan underwriting and work out, credit surveillance, portfolio management products, restructuring and exit strategies. It covers a broad range of assets including real estate, corporate loans, structured finance, infrastructure, aviation, shipping and life settlements. With 125 employees, Mount Street has offices in London, Frankfurt, Dusseldorf, New York, Atlanta, Madrid, Amsterdam, Athens and Dublin and is responsible for managing more than €48 billion of loans, bonds and equity positions for a broad range of financial clients throughout Europe and North America.*

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

**For more information, please contact:**

Ravi Joseph, Mount Street  
[ravi.joseph@mountstreetllp.com](mailto:ravi.joseph@mountstreetllp.com)  
+44 (0) 20 3195 0154

Paul Lloyd, Mount Street  
[paul.lloyd@mountstreetllp.com](mailto:paul.lloyd@mountstreetllp.com)  
+44 (0) 20 3195 0156