



Loan Portfolio Services: Key Deals in 2017/18

We have a significant amount of experience in this area and act on a wide variety of transactions in terms of clients, debt type and debt size.

What makes us stand out is:

- We have offices across E&W, Scotland and Northern Ireland and so we are a one-stop shop for debt sales/acquisitions that cover these different UK jurisdictions;
- We have stand-out capability in consumer credit and regulatory matters, which is a key part of any disposal or acquisition involving regulated products;
- Our ability to advise on all aspects of a portfolio sale, from negotiating the sale documents to dealing with servicing agreements and lender of record arrangements, advising on underlying loan and security documents and regulatory issues and dealing with transfers of portfolios and litigation;
- Resourcing large due diligence projects and handling large scale transfers of portfolios and litigation cost effectively; and
- Our lower cost bases outside of London mean that we are highly competitive on price.

Key deals for the Loan Portfolio Services team in 2017/18:

 **Regulatory**

- Providing strategic advice and support to a number of debt purchasers undertaking regulatory remediation plans on issues including (a) non-compliant contractual documentation, (b) non-compliant post-contractual documentation, (c) drafting remedial documentation and policies and (d) risk and horizon scanning of existing and future risks.
- Acting for debt purchasers providing regulatory due diligence on portfolios (including portfolios of regulated credit and mortgage contracts) both on and off-site.
- Advising debt purchasers on the regulatory risks of acquiring books (including the risk of liabilities for remediation plans and projects).

 **Sales and acquisitions**

- Advised a clearing bank on the sale of a portfolio of regulated unsecured debt. The purchaser used a multi-jurisdictional structure to acquire the portfolio. The portfolio consisted of mortgage shortfall debt, impaired credit card debt, expired overdrafts and unsecured loans. The portfolio was made up of approximately 5,000 accounts in Northern Ireland, England, Wales and Scotland. It was the largest portfolio transfer by account number for this particular bank and had a par value of around £60m.
- Acted for a traditional debt purchaser on the acquisition of a portfolio of c.1,000 accounts consisting of residential and commercial lending and security together with mobile home finance for a purchase price of £34m. The purchaser acquired the beneficial and legal titles in the assets through different entities, using a "lender of record" arrangement. The portfolio was spread across the UK and also the Isle of Man.
- Instructed by a clearing bank on the sale of a portfolio of post-default credit card debt where the borrower was in an IVA or protected trust deed to a division of a major investment bank for a sale price of £24m. The borrowers were located across all 3 UK jurisdictions. We are acting on a subsequent "forward flow" sale for the same bank.
- Dealing with the £122m acquisition of a corporate vehicle with a synthetic interest in a portfolio of home reversion plans (a form of equity release product) written by a life insurance and pension provider. The underlying portfolio was spread across England, Wales and Scotland. As well as

negotiating and agreeing the transaction documents and managing the project, we carried out a full due diligence exercise into the underlying home reversion plans (including from a regulatory perspective).

- Advised a clearing bank on the disposal of a portfolio of lifetime mortgages to a leading life insurer for a sale price of £22m, adding to our existing experience in dealing with equity release products.
- Acted for a fund, its managers and the loan servicer on 3 separate acquisitions of portfolios of shared equity mortgages spread across the UK, 2 of which were acquired from leading housebuilders. We have acted on a number of similar acquisitions of shared equity mortgages in the past, in addition to these 3, including the UK's largest ever acquisition of shared equity mortgages.
- Acted on the £20m acquisition of a right to participate in a shared equity scheme operated by one of the largest housing association groups in the UK.



Mortgage book transfers

- Acting for a financial group on the transfer of a book of c.1,200 mortgages located in England, Wales, Northern Ireland and the Republic of Ireland including carrying out title due diligence on a sample and dealing with the transfer and registration of the book at the Land Registry.
- Dealing with the transfer of the title in a portfolio of around 640 residential mortgages based primarily in Scotland to the purchaser, carrying out due diligence on the portfolio and dealing with title rectification and property issues arising out of that due diligence.



Litigation

- Obtaining a global substitution order in relation to c.620 claims as part of the replacement of the legal title holder to a portfolio of residential mortgages (substituting the outgoing legal title holder with the incoming legal title holder as a party to the these claims).
- Dealing with on-going recoveries work in connection with around 1,800 unsecured consumer accounts on behalf of the purchaser of this portfolio and the on-boarding of these cases.

Key contacts



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