

SLAUGHTER AND MAY

# Real Estate Finance

Our practice covers all aspects of Real Estate Financing, from advising on the establishment and activities of real estate funds, to advising borrowers and lenders on bank finance for property acquisitions and developments. We also regularly advise on real estate backed securitisations.

Our particular expertise is to combine complex financing, investment and tax arrangements with the required underlying real estate skills. We frequently project manage cross-border transactions, working through our own offices and with leading law firms around the world.



Detail from Early Morning by Trevor Bell

**"The firm sets the benchmark for quality in the UK market."**

LEGAL BUSINESS AWARDS BROCHURE, 2011

**"Proactive, responsive, highly intelligent lawyers"**

CHAMBERS UK, 2010

"The banking and finance team at Slaughter and May has established a very strong reputation for providing clients with innovative solutions to complex cross-border financial transactions."

CHAMBERS UK, 2012

#### **BANKING, FINANCE AND RESTRUCTURING**

##### **Global Infrastructure Partners – financing for Gatwick**

We advised GIP on its agreement with BAA Airports Ltd to acquire London Gatwick Airport for approximately £1.5 billion and on the £1.125 billion debt financing for the acquisition. We also advised Gatwick Airport on its single-airport securitisation.

##### **Taylor Wimpey – refinancing**

We advised Taylor Wimpey on its recent debt restructuring, including the combination of a new bank facility amounting to £950 million in two tranches with a £250 million high yield bond and a £100 million private placement loan from a new investment fund entity set up by M&G / Prudential as an investment fund, giving total debt facilities of £1.3 billion.

##### **Barratt Developments – refinancing**

We advised Barratt Developments PLC, one of the largest house building groups in the UK, on the agreement of a complete debt refinancing package announced on 11 May 2011. The refinancing comprises amendments to Barratt's existing bank finance arrangements; new £770 million committed bank revolving credit facilities; amendments to Barratt's existing private placement notes; new US\$80 million private placement notes; and a new £100 million term loan from The Prudential/M&G UK Companies Financing Fund.

##### **Morgan Stanley Real Estate Funds – financings**

We have advised Morgan Stanley Real Estate Funds on a number of major property financings such as the €940 million financing of three separate portfolios of commercial real estate across Germany and the £880 million refinancing of Songbird Estate plc's stake in Canary Wharf Group plc.

##### **Land Securities – various matters**

We have advised Land Securities on various matters, including its refinancing and securitisation in 2004, its acquisition of Tops Estates plc, its conversion to REIT status, its proposed demerger, its £750 million rights issue in 2009 and the disposal of Trillium.

##### **McKay Securities – various matters**

We advised McKay Securities on its existing secured loan facilities and in relation to its derivative transactions and its conversion to REIT status.

##### **Churchill Place L.P. – financing**

We advised Churchill Place L.P. on the £135 million financing for the purchase of 5 Churchill Place, Canary Wharf.

##### **Peel Holdings – financing**

We advised Peel Holdings on its £205 million secured financing.

##### **Derwent London – various matters**

We have advised Derwent London on a number of financing transactions including recent £90 and £100 million loan facilities and its £175 million convertible bond offering.

##### **Marks and Spencer, John Lewis Partnership and Whitbread**

We advised Marks and Spencer, the John Lewis Partnership and Whitbread on innovative real estate-backed funding arrangements for their pension schemes.

##### **Santander – securitisations under the Holmes Master Trust and Aire Valley Master Trust**

We have advised on numerous securitisations of mortgages under the Holmes Master Trust and the Aire Valley Master Trust.

##### **Whitbread – proposed CMBS securitisation**

We advised Whitbread in relation to the proposed CMBS securitisation of its hotel and restaurant portfolio within a whole business structure.

##### **National Asset Management Agency – restructurings**

We advised NAMA (the National Asset Management Agency) in relation to restructuring of Real Estate Opportunities and Battersea Power Station.

##### **Paragon – warehousing**

We advised Paragon in relation to the refinancing of the Paragon Second Funding Limited Mortgage and Consumer Finance Warehouse Facility and the Paragon Corporate Facility used as a source of credit enhancement for such Warehouse Facility.

**Cambridge Place Investment Management** on the establishment of Crownstone European Properties, the associated acquisition of EUR1.3 billion of European real estate, and on the financing put in place in relation to real estate acquired.

"The firm does all the thinking for all parties and so provides a complete solution."

THE LEGAL 500, 2011

**Westbrook Partners** on the financing of various portfolio acquisitions.

**Legacy Portfolio** on the successful acquisition of a portfolio of surplus leasehold properties from Wolseley and the removal of this portfolio from risk.

#### SECURITISATIONS

##### **Gatwick – securitisation**

We advised Gatwick Airport Limited (GAL) on the second single-airport securitisation in the UK and one of the first corporate securitisations that combines sizeable bank and bond debt. Gatwick Funding Limited (GFL), the issuing vehicle and a wholly owned subsidiary of GAL, established its multicurrency secured bond programme for the issue of up to £5 billion bonds for the financing of GAL, the owner and operator of Gatwick Airport. GFL made its debut issuance on 2nd March 2011 of two series of bonds for an aggregate amount of £600 million. The bonds are secured over all or substantially all of the assets of GAL and its immediate holding company, Ivy Holdco Limited.

##### **Punch Taverns – securitisation, refinancing and demerger**

We advised Punch Taverns Plc in relation to the refinancing of its Punch Taverns Finance securitisation, involving the raising of additional £825 million of debt finance via an issue of floating rate notes by Punch Taverns Finance Plc, involving an associated intra-group reorganisation involving the transfer of 341 pubs. The transaction was awarded *International Securitisation Report's European corporate deal of the year*.

We also advised, most recently, on the operational and structural separation of Punch's Spirit business, comprising approximately 800 managed pubs and 550 leased and tenanted pubs, by way of a demerger.

##### **Arsenal – securitisation**

We advised Arsenal Football Club plc on the refinancing of bank debt incurred to finance the building and fit-out of Arsenal's new stadium at Ashburton Grove by means of a £260 million hybrid whole business and future flow securitisation secured over the 60,000-seater Emirates Stadium, ticket revenues, broadcasting and sponsorship revenues and other related rights and assets. This was the first public securitisation of football assets to be given an investment grade shadow rating and a triple -A rating by virtue of a monoline wrap from Ambac Assurance UK Limited.

#### DEVELOPMENT FINANCING

##### **Qatar National Bank – The Shard**

We advised Qatar National Bank on the £1.15 billion financing of The Shard of Glass and London Bridge Place. The Shard will be the tallest building in the UK.

##### **Songbird Estates – various matters**

We advised Songbird Estates on its placing and compensatory open offer, preference share issue and new credit facility for the refinancing of Canary Wharf plc.

##### **Grosvenor – various matters**

We have advised Grosvenor on various financing transactions. We recently advised on the property aspects of the £385 million refinancing of the Liverpool ONE development and we previously advised on the original £750 million financing of the development. We have also advised on a complex development and refinancing structure through a pre-pack administration.

##### **Arsenal – Emirates Stadium**

We advised Arsenal on the financing for the development of the Emirates Stadium and associated mixed-use sites.

"Exuding class in everything it does, Slaughters has made a habit of developing talented lawyers and handling headline deals."

CHAMBERS UK, 2010

SLAUGHTER AND MAY

"This firm builds strong, lasting relationships with clients, having worked with many of them for decades."

CHAMBERS UK, 2010

## Key Contacts

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