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Hilco



## Newly launched Hilco Real Estate bridge lending division delivers £50m of loans in four months



UK-based real estate lender, Hilco Real Estate Finance (HREF), launched last summer as part of Hilco Global and has funded £50m of secured real estate loans in its first four months of operations. The new enterprise has seen strong demand for its product and has a large pipeline of loans it expects to fund in the near term.

Headquartered in London, with a presence throughout the UK, HREF comprises a team of highly experienced finance professionals led by CEO Brad Altberger and CIO Max Lewis. HREF is a fully integrated subsidiary of Hilco Global (Hilco), the multi-national financial services group with more than \$3bn of assets under management. HREF builds on Hilco's long established credentials as a lender, valuer and asset manager.

HREF provides bespoke flexible property finance solutions nationwide across various real estate sectors and capital structures, offering short term loans for growth, acquisition opportunities, development exits and refinancing exits with loan sizes ranging from £1m to £50m+. The firm launched last year with the mandate to provide loans with ranges in sizes, sectors and geographies beyond that offered by most existing lenders in the UK and without the rigid underwriting constraints that can restrict and prolong the lending process with other lenders.

Loan origination efforts are headed by joint managing directors and industry veterans Andrew Ward and Sean Adams. Andrew and Sean are supported by director Adrian Hogan and a dedicated team.

"We identified a need for entrepreneurial, reliable, and rapid secured lending above the £10m level where many independent sources of funding have to tap out or are forced to 'club' a deal, and that's where we're focused, with our first five deals averaging £10m in value.

“As we are able to deploy our own capital to borrowers in any industry, and because we aren’t encumbered with the regulatory and policy frameworks of larger institutional banks, we can get loans done rapidly in complex situations, with sensible structures and due diligence,” said Andrew Ward.

Spanning a range of sectors, regions and asset types, HREF’s recent loans have included a £23m facility secured against a major roadside infrastructure site in the South East of England; a £13m loan secured against a 130 bed PBSA block and a 100-bed residential block in Yorkshire; and a £10m bridge loan against two care homes in London and Dover. The lender has also provided funding for the acquisition of four new build apartments in West London with a value of £2.2m; and provided additional funding to enable a client to grow and restructure his family business in the North East, with a real estate value of £3.5m.

Sean Adams commented: “Our five latest lends demonstrate our diversity, with deals across the UK in a range of sectors, so far including care, residential, industrial, student accommodation and agriculture. Given the significant resources behind us, we can cope with any volume and size of transactions and have the benefit of being able to make decisions and deploy funds swiftly. We expect to complete at least another 10-15 deals over the next six months and lend in excess of £150m, as part of our longer-term goals to invest over £500m in the UK real estate secured lending space.”

He continued: “We are currently receiving a good volume of enquiries as fixed rate and fixed term transactions come to an end, with many companies now breaking banking covenants. While base rates may start to fall in 2024 as inflation pressure eases, with so much geo-political global uncertainty, we expect demand for capital to continue to gain momentum as businesses seek facilities from a reliable, ‘non criteria led’ lender able to look at a broad range of loans that don’t fit the typical lending mould.”