

Case Study

Transaction Advisory

Client Profile

A global alternative asset manager with a key focus on credit and real estate

Transaction Snapshot

Size - €280 million

Jurisdiction - Spain

Asset Type – Performing and non-performing residential loans

About Oxane Partners

Oxane Partners provides bespoke solutions to alternative investment firms throughout their investment lifecycle. Since inception, Oxane has supported more than 40 financial institutions of all sizes including hedge funds, private equity funds, asset managers and investment banks across all major asset classes and jurisdictions.

To talk about our expertise and solutions offering, please reach us at: info@oxanepartners.com

Background

The global investment manager was bidding on a portfolio of performing and non-performing loans backed by residential loans in Spain. The client was looking an analytical partner who could support them in their underwriting and due diligence for their binding bid phase.

Oxane's Approach

Oxane's team worked in close coordination with the client's deal team helping them look at the portfolio from an analytical and statistical point of view.

The team of two was based offshore throughout the process working in constant touch with the client's onshore deal team.

Oxane supported the client under the following areas :

Pool Stratification

- Cleaned up the data tape and generated portfolio stratification tables/ charts based on various portfolio characteristics and borrower demographics

Historical Statistical Analysis

- Performed historical analysis on a wider portfolio to calculate trends for CDR, CPR, waivers and restructurings and use it for portfolio segmentation

Recovery Process Analysis

- Analysed the foreclosure and extra-judicial resolution processes in Spain and estimated the cost and timing at every step along the process

Predictive Modelling

- Developed a flexible predictive cash flow model in Excel for both performing and non-performing sub-portfolios including loan by loan cash flow modelling with flexible assumptions sheet and different exit scenarios

Financing Overlays

- Modelled senior financing on the acquisition with the ability to flex the terms to size the financing and also analyse levered returns for the Buyer