

# 1 Grosvenor Square, London - Acquisition Finance - GBP 235 Million

## Summary Terms

Name of Issuer	Lodha Developers 1GSQ Ltd
Sole Advisor	Trustcap
Deal Size	GBP 235 Million
Syndicate	J P Morgan & Apollo Management International LLP
Transaction Date	2014



## Key Challenges

An Indian developer setting foot in the UK market for the first time. Unproven track record coupled with stringent payment terms and a gelatinous security package. Tax efficient overseas structure remained key. The client had constraints on the amount of funding that could be done from India and needed for us to arrange acquisition finance in London market. The tenor of the loan would also need to be longer than typical.

## Transaction Highlights

Raised GBP 235 Million for Lodha Group's 1 GSQ project at Grosvenor Square, London, the working Canadian embassy at that time, located in the most exclusive and premium area in central London. The property was purchased for GBP 306 Million.

Financing was structured through mix of Senior Debt and Mezzanine Capital with a focused object to (a) contain capital contribution from India thereby necessitating beyond typical leverage (b) keep a tight control over the interest cost (c) provide operational flexibility and sufficient tenor of the loan and (d) address complex tax and legal challenges thrown up by multiple jurisdictions.

Despite being our first transaction in the London market, funding was arranged in record 3 months time to facilitate the payment for Land acquisition. Trustcap was the SOLE Advisor for the transaction. At that time this transaction was the largest for the year in the UK resi financing market.

The deal was awarded "Deal of the Year 2014" by "The Resi Awards" UK.



# Lodha Developers 48CS Ltd. - Acquisition Finance - GBP 75 Million

## Summary Terms

Name of Issuer	Lodha Developers 48CS Ltd.
Sole Advisor	Trustcap
Deal Size	GBP 75 Million
Syndicate	Deutsche Pfandbriefbank AG & Apollo Management International LLP
Transaction Date	2014

## Key Challenges

In addition to the challenges that faced while Advising on the 1 Grosvenor Square transaction, the major challenge arose on account of running both the financing simultaneously. Achieving very tight time schedules with fine pricing and high loan to value were key.

## Transaction Highlights

Raised GBP 75 Million with a mix of Senior debt and Mezzanine capital for Lodha Group's 48 Carey Street project, located in one of the prime areas in central London.

Trustcap developed a unique and differentiated pitch from that used in 1GSQ. The transaction was parallelly completed without effecting pricing and positioning of the other.

The financing was unique in the sense that we achieved very tight pricing and high loan to value coupled with the ability to commence development activities at site during pendency of acquisition finance.

