

BrokerWorld

FOR THE PROFESSIONAL FINANCE BROKER

STAR shines on Kennet

It's almost a year ago that Leasing World spotted Tony Mallin, CEO of STAR Capital Partners ("STAR"), a private equity fund manager, at the Leaseurope Annual Convention in Rome. At the time we recorded a video interview with him where he said, "I've decided to get back into the leasing industry . . ." Well, he was true to his word, and subsequently we started to get feedback that brokers were being approached and turkey was being talked. Just ten months later, STAR has announced that the entire issued share capital of Kennet Equipment Leasing Limited ("Kennet") had been acquired by STAR Asset Finance Ltd, a Guernsey incorporated company.

Magic Circle law firm Slaughter and May advised STAR Capital Partners Limited on the acquisition by STAR Asset Finance Limited. Slaughter and May also advised

STAR Capital Partners in respect of the establishment of STAR Finance Partners LP, a Guernsey registered limited partnership, for the purpose of consolidating the asset finance broker market. It has been indicated that initial funding allocated for its investments is in excess of £100 million. Slaughter and May is advising STAR Capital Partners on the raising of further debt financing.

As regards the consideration, the headline figure of £100 million may be a little misleading, as it is not the case that Kennet's shareholders have pocketed a hundred million and are heading straight for Monaco. Some of that money has been invested in acquiring Kennet, though it is hard to know exactly how much. For comparison purposes, the recent investment of £25 million by Cabot Square Capital, so we are informed, will all end up in the company as capital ►



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NEWS IN BRIEF

Renaissance at BLME

Industry veteran Hugh Sigrist has launched Renaissance Asset Finance ("Renaissance"), which he will head up as CEO, a new funder targeting UK SMEs. BLME, an independent wholesale challenger bank is Renaissance's key funder, providing a financing line of £35 million.

Renaissance will operate through brokers, a familiar market for Hugh Sigrist, having been the managing director for 16-years of a highly successful brokerage, Reliance Financial Contracts.

Sigrist stated, "It is important that we have a real synergy with brokers, we want to really understand their client's businesses in detail. We believe it is this that separates us from the many centralised system-driven underwriting approaches that exist. We want show that check-list financing is not sustainable and cannot cater to many companies financing requirements.

"We understand our clients' individual needs and aspirations in a way that a large company cannot, enabling us to provide knowledgeable financial support to SMEs.



Hugh Sigrist

While other companies in the market are using centralised systems, we believe in a more personalised, one-to-one client service. We also have the advantage of being unburdened with a legacy portfolio."

Renaissance has a wide range of speciality sectors which include Wheeled

Assets such as Executive, Specialist and Vintage cars as well as Commercial Vehicles. It also specialises in Plant & Machinery including Hire Fleets and Business Critical Soft Assets such as Commercial Audio Visual Equipment, in addition to Agricultural Goods.

UTB reaffirms commitment to brokers

Martin Nixon, Head of Asset Finance, United Trust Bank ("UTB"), has given an update on the first six months of 2014 at United Trust Bank, saying it has been extremely busy with increased lending across the property and asset finance books. The upturn in the property market, together with the increased activity in new home building, has ensured that the demand for construction plant and machinery remains strong.

UTB has seen residual values on standard used equipment such as excavators and dumpers holding up well, partly due to the increased levels of interest from construction firms looking

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