

HAIL 2016 | ABS | 06-16 | \$325m | 1x737-700 + 8x737-800 + 1xA319 + 7xA320 + 2xA321

Dublin-based lessor Aergen has closed its \$325 million debut asset-backed securities (ABS) deal.

The transaction is split between three classes of notes: a \$247 million A tranche, a \$47 million B tranche and a \$31 million C tranche. The A tranche has an initial loan-to-value (LTV) of 63.7%, the B tranche has an initial LTV of 75.9% and the C tranche has an initial LTV of 83.9%. Weighted Average Remaining Lease Term 3.3 years. Weighted Average Age of Initial Aircraft 12.7 years

The interest rates of the notes are 4.703% for the A tranche, 6.413% for the B tranche and 10.278% for the C tranche.

All three tranches mature in July 2041. The deal was issued by a special-purpose vehicle (SPV) called Harbour Aircraft Investments.

The deal is backed by 19 in-production narrowbody aircraft with a weighted average age of approximately 12.7 years.

Kroll Bond Rating Agency has rated the notes A, BBB, and B, respectively. S&P has also rated the notes A, BBB and B.

Deutsche Bank is the sole structuring agent and lead left arranger.

Maples Fiduciary Services is the managing agent, Wells Fargo Bank is the trustee and **DVB Bank is the liquidity facility provider.**

Transaction Overview

Structure

Product category: Financing
Product type: DCM
Structure ABS
Sub Structure Secured notes
Use of proceeds Aircraft Purchase

Transaction Categories

Regions:
[Europe](#) |
[Ireland](#) |

Tagged as:
[Secured](#) |
[Debt Capital Markets](#) |
[G8](#) |

Debt

Series A Loans (USD 247.00m) 01 Jul 2016

Type: Debt
S&P: A
Tenor: 17 Years
Amount: USD 247.00m
LTV: 63.7000
Maturity Date: 01 Jul 2033
Duration: 17 Years

Tranche Pricings

Coupon Type Fixed Rate
Basis Points N/A - 475 bps
Coupon % 4.75
Period 01 Jul 2016 > 01 Jul 2033 (17 Years)

Series B Loans (USD 47.00m) 01 Jul 2016

Type: Debt
S&P: BBB
Tenor: 17 Years
Amount: USD 47.00m
LTV: 75.9000
Maturity Date: 01 Jul 2033
Duration: 17 Years

Tranche Pricings

Coupon Type Fixed Rate
Basis Points N/A - 641 bps
Coupon % 6.41
Period 01 Jul 2016 > 01 Jul 2033 (17 Years)

Series C Loans (USD 31.00m) 01 Jul 2016

Type: Debt
S&P: B
Tenor: 9 Years
Amount: USD 31.00m
LTV: 83.8800
Maturity Date: 01 Jul 2025
Duration: 9 Years

Tranche Pricings

Coupon Type Fixed Rate
Basis Points N/A - 1,028 bps
Coupon % 10.28
Period 01 Jul 2016 > 01 Jul 2025 (9 Years)

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Transaction Roles

Borrower/Issuer

Company Name	Role	Client
AerGen	Borrower/Issuer	

Banks

Company Name	Role	Client
Deutsche Bank	Structuring agent	
Deutsche Bank	Overall Arranger	
Deutsche Bank	Debt Arranger	
Goldman Sachs	Bookrunner	
DVB Bank	Bookrunner	
Deutsche Bank	Bookrunner	

Goldman Sachs	Overall Arranger	
Goldman Sachs	Debt Arranger	
Wells Fargo	Security Agent	

Lessor

Company Name	Role	Client
AerGen	Manager/Service	

Lawyers

Company Name	Role	Client
Hogan Lovells	Advisor	
Hughes Hubbard & Reed	Advisor	
Clifford Chance	Advisor	
Vedder Price	Advisor	
Norton Rose Fulbright	Arranger	
Bird & Bird	Advisor	
Pillsbury	Advisor	

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Transaction Timeline

01/07/2016	Financial close	Financial close
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MSN	Quantity	Model	BodyType	Manufacturer
MSN 1234 1		737-700	Narrowbody	Boeing
MSN 1234 8		737-800	Narrowbody	Boeing
MSN 1234 1		A319	Narrowbody	Airbus
MSN 1234 7		A320	Narrowbody	Airbus
MSN 1234 2		A321	Narrowbody	Airbus

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Coverage

[Aergen to refinance HAIL 2016 with new ABS](#)

[DVB hires new SVP](#)

[Hong Kong 2016: Another lessor to bring ABS transaction in market](#)

[Lessor brings ABS to market](#)

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