

ALC to grow managed portfolio with Blackbird II

Alex Derber

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Air Lease (ALC) has agreed to manage the leasing portfolio of a new aircraft investment fund in which it will own a 9.5% stake.

Blackbird Capital II has reached a first close of \$231 million following commitments from institutional investors who are investing through ALC's joint venture partner in the fund, Napier Park Global. The investors' share of the fund is 90.5%.

The fund will acquire its first two aircraft from ALC's portfolio and thereafter make purchases using equity, a planned \$650 million warehouse credit facility, and other forms of debt financing.

ALC will provide aircraft lease management services to Blackbird II over a 12-year period for a servicing fee based upon aircraft assets under management.

Aircraft will be acquired over four years, double the investment period of Blackbird I, which was otherwise structured in a similar way to ALC and Napier Park's latest joint venture.

The revolving warehouse facility was led by BNP Paribas as joint lead arranger and agent and Bank of America as joint lead arranger. It also includes Societe Generale, Fifth Third Bank, The Bank of Tokyo-Mitsubishi UFJ and Goldman Sachs Bank USA.

Hughes Hubbard & Reed advised Blackbird Capital II, Munger Tolles & Olson advised the ALC, and Sidley Austin advised Napier Park in connection with the formation of the joint venture.

Milbank, Tweed, Hadley & McCloy advised the joint lead arranger and the lenders in connection with the warehouse facility. Hughes Hubbard & Reed advised Blackbird Capital II in connection with the warehouse facility.

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