

DCM launches fund

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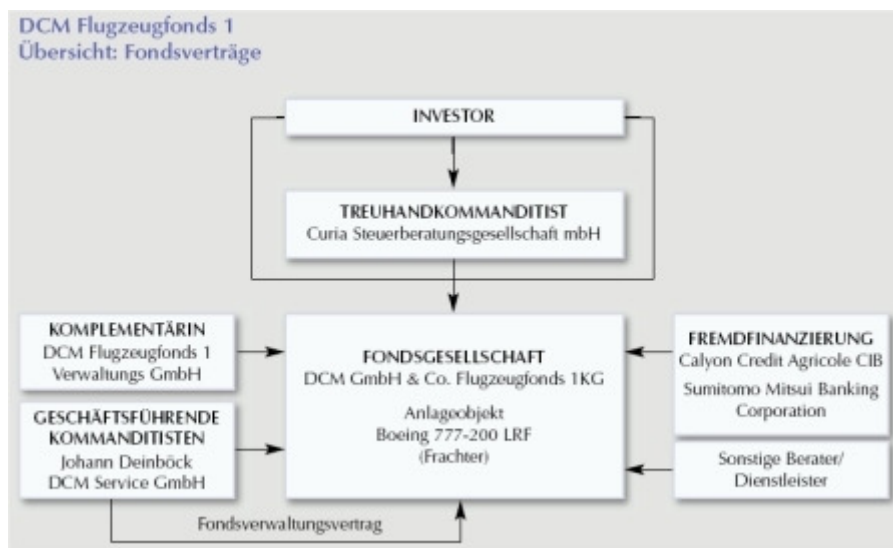
Deutsche Capital Management (DCM) has announced plans to launch an aircraft fund with a Boeing 777-200LRF that will be operated by AeroLogic, a joint venture between Lufthansa cargo AG and Deutsche Post World Net.

The Munich-based financial institution has created DCM GmbH & CO. Airplane fund 1 KG for the acquisition of serial number 36001 that is planned for delivery to the carrier in February 2009.

The 777-200LRF was purchased from Deucalion Capital VII Limited for a reported \$166 million.

The equity/debt ratio has been fixed at 51%/49% with Calyon Credit Agricole CIB and Sumitomo Mitsui Banking Corporation providing the \$95 million debt through two tranches with a 10-year term:

Tranche 1: at the most \$65 million or alternatively that-worth corresponding amount in Euros;
Tranche 2: at the most \$35 million in US\$ only.



DCM says it intends to place \$91.5 million in both the banking and retail market. According to a source at DCM, an estimated \$75 million will be placed in the banking market while the remaining \$16.5 million is intended for the retail market. The placement phase ends to 31 December 2008 but can be extended if necessary by the management until at the latest two bank days before distribution of the aircraft, at the latest up to 31 January 2010.

The fund will have approximately a 17-year term and payment in accordance with prognosis is planned at 7.25% per annum between 2009 and 2018, rising to 9% per annum afterwards.

Total return flow in accordance with prognosis about 221%.

The minimum participation sum is approx. €10,000 (\$15,000) plus a 5% agio, translating into €10,500 (or \$15,750) purchase price.

DCM says the aircraft have been placed on operating lease with AeroLogic for a period of 10 years. Amentum Capital is the asset manager.