

Vincent Tchenguiz's Peverel Group in administration

14th March 2011



Embattled tycoon Vincent Tchenguiz's property management company, Peverel Group Ltd, has entered administration after failing to repay a loan. Bank of America Merrill Lynch demanded repayment within 24 hours of a 124.6 million pounds loan plus 11.4 million pounds in accrued interest.

Another Vincent Tchenguiz company, Consensus Business Group (CBG), said in a statement.

The demand, on March 10, came just a day after Vincent and his brother Robert Tchenguiz were arrested with seven other people when police raided addresses in London and Reykjavik linked to a Serious Fraud Office investigation into the collapse of Iceland's Kaupthing Bank. "As a consequence, the Board of Peverel Group Ltd, a guarantor to the loan, had no choice but to appoint an administrator," CBG said in a statement. CBG chairman Vincent Tchenguiz said he believed Bank of America Merrill Lynch's demand was a "direct result of the very public commencement of the Serious Fraud Office's investigation into events surrounding the collapse of Kaupthing bank." "We have been in consensual discussions with Bank of America Merrill Lynch, since late 2009, about the financial structure of the Group and we regret that their sudden actions have forced this Group in to administration," he said.

A CBG spokesman told Reuters the loan was originally with Aztec Acquisitions Ltd, and guaranteed by Aztec Opco Developments Ltd, a holding company of Peverel Group Ltd. Accounts filed in January this year showed Aztec Opco breached its 116.6 million pounds of loan covenants in 2009, but had been hoping to restructure it since then.

CBG said Peverel was part of a residential business group that owns about 284,000 residential freeholds, manages about 196,500 residential units and manages the freehold asset of about 64,000 residential units. "The structure carries some 2 billion pounds of debt and 2 billion pounds of associated fixed rate and RPI (retail price index) swaps," CBG said. The debt was provided by Allied Irish Bank; Bank of America Merrill Lynch; Bayerische Landesbank; Citibank; Deutsche Bank; Lloyds Banking Group; Prudential UK; Royal Bank of Scotland; and UBS together with bond holders in a securitisation.

Vincent Tchenguiz bought Peverel from its U.S. owner Holiday Retirement Corporation in 2007, funding the purchase with a 500 million pound financing from Merrill Lynch, before the U.S. bank was taken over by Bank of America.

(Reporting by Andrew Macdonald; additional reporting by Laurence Fletcher and Daryl Loo; Editing by Andrew Callus)

[Original article link](#)