



## **PRESS RELEASE**

### **Algebris Investments completes first close of newly launched Algebris NPL Fund III**

*London, 17 December 2020* – In February this year, Algebris Investments formally launched **Algebris NPL Fund III** and recently completed its first close securing about €160 million in commitments from a diverse group of leading investors.

Final closing of Algebris NPL Fund III is expected in December 2021, targeting an overall fund size of €500–€750million.

The policy response to Covid-19 has strengthened the macro backdrop for Italian secured non-performing loans (NPLs), and the Algebris non-performing loan strategy offers a unique opportunity for investors to access this promising segment of the market by investing in NPLs backed by high quality Italian real estate.

Algebris Investments has been active in the NPL sector since 2014 and a dominant player since then. The NPL team, led by Gabriele Giorgi and Antonella Di Chio, has completed over 113 transactions with 37 banks, for a gross book value of about €4 billion, consolidating a market share of around 20% in this space.

The investment strategy and fund structure are in line with Algebris NPL Fund I and Algebris NPL Fund II, with a key distinguishing factor: Algebris NPL Fund III was able to leverage, since its inception, the expertise of Algos, the in-house, fully captive special servicer, comprised of over 30 experienced professionals based in Milan and Rome. Algos was established in 2019 to integrate the investment and recovery teams which resulted in substantial cost savings on both servicing and due-diligence fees.

*“Over the last six years, banks have dealt with significant legacy NPL stock, but still remain below de-risking targets set by the EU banking supervisor. With regulatory scrutiny tightening in light of the expected further deterioration due to Covid, banks now have all the means and incentives to effectively tackle the issue. Consolidation of the Italian banking sector will be another major catalyst for NPL disposals over the next years.”*, said **Davide Serra**, Founder and CEO of Algebris Investments. He continued: *“Our Algebris NPL Fund III is well positioned to take advantage of such a widening supply-demand mismatch over the next three years of investment period. A quicker*



*return to normal, due to the availability of effective vaccines, and unprecedented European measures providing support to the economy, will benefit the return-on-capital during the divestment phase.”*

## **Notes to Editors**

### **Algebris Investments**

Algebris Investments is an independent global asset management company founded in 2006 by Davide Serra.

Historically specialised in the global financial sector, which has allowed the firm to uncover unique value across both financial equity and credit opportunities, Algebris has then broadened its expertise to global credit and Italian equity. With respect to private strategies, Algebris invests in non-performing loans predominantly secured by high-end, residential real estate assets in Italy.

As at 15<sup>th</sup> December 2020, Algebris AUM is \$16 billion and has offices in London, Milan, Rome, Dublin Luxembourg, Boston, Singapore, and Tokyo.

An active investment approach and a strong corporate culture where diversity, accountability, teamwork, and entrepreneurial spirit are core values of the firm. The Algebris global team consists of over 100 professionals across the firm’s international offices.

### **For further information, please contact:**

Algebris (UK) Limited

Tel +44 (0) 203 196 2450

Email: [media.relations@algebris.com](mailto:media.relations@algebris.com)