

# Trimont to grow special servicing book, narrows in on CRE CLOs

09 July 2018 | 15:49 EDT

Trimont Real Estate Advisors is looking to grow its special servicing book this year, in part by focusing on the surging CRE CLO market, chief executive Brian Ward, and Robert Brasfield, managing director of non-performing asset management, said in an interview.

“The CLO market is a really hot market and we’re heavily involved in that space,” Ward said. “We don’t see any pullback.”

To date this year, the company has been named special servicer on three CRE CLO deals including the USD 368m **VMC 2018-FL1**, the USD 304.3m **Bancorp 2018-CRE3** and the USD 826.5m **GPMT 2018-FL1**. That’s up from two CRE CLO assignments in 2017.

Trimont is slated to be named on five more securitizations this month, including CMBS, bringing its total YTD to eight deals. During all of 2017, Trimont was the named special servicer on 10 deals, up from five in 2016. The company plans to build on the momentum of the last 12 months in special servicing both CMBS and CLOs.

For CLOs, the goal is not just the special servicing business but providing clients with comprehensive CLO advisory service throughout the CLO execution process, such as data management, and asset summary reports, Brasfield said.

CRE CLO arrangers are signaling that this year’s volume will likely be in the USD 15bn to USD 20bn range, while volume in 2017 was just under USD 6.5bn of deals issued under a CLO indenture, as reported (see [story](#), 14 June).

Trimont’s special servicing growth comes as some special servicers’ portfolios are shrinking due to legacy deals unwinding. For instance, since year-end 2016, C-III Asset Management’s named special servicing portfolio declined 61% by loan count, the most among Fitch-rated special servicers, according to Fitch Ratings, as reported (see [story](#), 19 June). Fitch expects the portfolio to continue to run off given the heavy concentration in pre-2009 vintage CMBS transactions.

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Separately, Trimont was tapped by The Värde Mortgage Fund II, the controlling class for the **COMM 2012-CCRE2** trust, to replace Midland Loan Services as special servicer on the COMM deal, according to Moody's, as reported (see [story](#), 5 July). It's not clear if COMM is one of the five special servicing assignments expected to close this month.

by [Maura Webber Sadovi](#)

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