

Wilmington Bulking Up Trustee Operation

Wilmington Trust is pursuing a further expansion of its structured-finance trust business.

The company has openings for five securitization specialists within its capital-markets group in the U.S., with potential locations in New York, Minneapolis, Buffalo, Baltimore, Chicago or Wilmington, Del. It also is seeking two staffers in Europe, in London and Dublin.

Four of the U.S. recruits would be relationship managers charged with working with corporate-trust clients throughout the securitization process, one holding a senior position. Wilmington also is looking for one transaction manager to review new offerings in the States with attorneys and manage risk.

In Europe, Wilmington plans to hire a relationship manager and cash flow analytics manager.

The additions would extend a push that already has seen Wilmington's U.S. operation add 15 securitization-focused employees in the past year to its capital-markets group, which handles tasks including indenture work, backup servicing and cashflow analytics. The company also has hired 15 staffers for its document-custody team in the States.

In Europe, Wilmington promoted **Eileen Hughes** in July to serve as its London-based head of structured-finance services in the U.K. She had just arrived in February from **Deutsche Bank**, initially in a New York post as head of securitization product-development and strategy.

Also new to the European team is senior relationship manager **Joanna Taylor** in Dublin. She formerly worked at **Capita International**.

The additions address staff needs that have arisen as Wilmington has aggressively courted new business, a campaign the company anticipates will make it one of the top-three trustees in the securitization industry. "They are taking on a lot of

transactions and staying ahead of it with infrastructure, which means new hires," one source said.

Wilmington finished seventh in **Asset-Backed Alert's** 2015 ranking of asset- and mortgage-backed bond trustees in the U.S., then climbed to sixth in 2016 as its deal volume grew by 38.6% — to 43 transactions totaling \$12.7 billion.

This year has seen even more growth, with the company passing **Deutsche** and **Citibank** at midyear to claim fourth place behind **U.S. Bank**, **Wells Fargo** and **BNY Mellon**. In fact, at 41 transactions totaling \$17 billion, its first-half deal volume already had surpassed its full-year count for 2016.

Mortgage-bond offerings helped drive Wilmington's first-half surge, including issues from **New Residential Investment** and **Redwood Trust**. A relationship with **Santander Consumer USA** also kept the company active in subprime auto-loan transactions, complemented by personal-loan offerings from a client list including **Marlette Funding**, **Lending Club**, **Prosper Marketplace** and **Social Finance**. Deals backed by nonperforming mortgages and student loans also figured prominently.

Wilmington, which is owned by **M&T Bank**, has benefitted in part from the fact that it rarely worked on mortgage-bond deals in the runup to the credit crisis. That's key because many other leading trustees have faced lawsuits from investors who lost money on those transactions — exposures that are weighing on their businesses today (see article on Page 3).

Wilmington worked on a string of home-loan transactions in the late 1990s, but wasn't seen again in the sector until 2004 and 2005, when it served as trustee for four subprime-loan issues from **Lehman Brothers**. It then stepped out of the market again until 2012.

Wilmington's structured-finance trust business is headed by **Patrick Tadie**. ❖

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