

Deal Profile: New Century Financial to acquire Texas-based warehouse lender's assets

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By Gabe LeDonne

New Century Financial Corp. said Dec. 22 that its New Century Warehouse Corp. unit will purchase certain assets and assume certain related liabilities of Sugar Land, Texas-based Access Lending Corp., a privately held specialty finance company, for about \$10 million in cash.

Under the terms of the deal, Access is entitled to receive additional future payments for two years following the asset acquisition, which is scheduled to close in the first quarter of 2006.

Access provides warehouse lending services to middle market residential-mortgage bankers, recording approximately \$5 million to \$100 million in mortgage originations per month.

"This transaction allows New Century to enter the growing and underserved warehouse lending market with an established business and a proven, experienced management team," Kevin Cloyd, executive vice president of secondary marketing for New Century Financial, said in a news release.

"We believe having warehouse lend-

ing capabilities is an important competitive advantage, enhances the products and services we are able to provide to our growing network of thousands of correspondent lenders, and will be a valuable addition to our existing product offering," he added.

Milestone Advisors LLC, with lead banker Jeffrey Levine, acted as financial adviser to Access Lending, while Vinson & Elkins LLP acted as its legal adviser. Sheppard Mullin Richter & Hampton LLP served as New Century's legal adviser. New Century did not use a financial adviser. *i*