



Allegiant Launches As Investment Mgmt. Platform

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NEW YORK CITY—The new company, whose management team comes from FirstKey Lending, has entered into an advisory and consulting agreement with FirstKey on its existing loan portfolio.



Randy Reiff headed FirstKey Lending before he and his team launched Allegiant.

NEW YORK CITY—Led by FirstKey Lending's Randy Reiff, Allegiant Real Estate Capital LP has launched as an independent commercial real estate investment management company. The newly formed company, which will originate, acquire and manage first mortgage loans, mezzanine loans, B-notes, preferred equity and CMBS securities, has also entered into an advisory and consulting agreement with FirstKey Lending on FirstKey's existing \$215-million loan portfolio.

Allegiant has been capitalized by a new group of investors and its management team, who recently moved over to Allegiant from FirstKey Lending following FirstKey's exit from the commercial real estate loan origination business. An affiliate of Cerberus Capital Management, FirstKey Lending launched its CRE loan platform two years ago.

In addition, Allegiant has entered into an advisory agreement with a financial services firm, the identity of which was not disclosed. The agreement calls for Allegiant to deploy up to \$500 million for investment in and management of CRE debt opportunities.

FirstKey Lending's CEO for three years, Reiff now heads Allegiant as CEO and CIO. Before joining FirstKey in 2013, Reiff led the global commercial real estate and CMBS business within Macquarie's fixed income currencies and commodities division—a role he took on when the firm he founded in 2009, Spartan Real Estate Capital, was integrated into Macquarie. Before that, he was global head of CRE finance and CMBS at J.P. Morgan and co-global head of CRE finance and CMBS at Bear Stearns.

Rounding out the senior leadership team is Simon Breedon, COO; Ben Milde, head of originations; Mark Lebowitz, head of capital markets; Jeff Wiseman, head of asset management and chief credit officer; John Vavas, head of legal and chief compliance officer; Justin Short, head of whole loan trading; and Brian Mascis, head of CMBS credit. Most of the Allegiant team have worked with Reiff for more than a decade and, collectively, have been responsible for completing more than \$100 billion of CRE transactions over the past two decades.

“The formation of Allegiant is an exciting next step in the development of the scalable, multi-dimensional debt origination and investment platform we built at FirstKey over the past three years,” says Reiff. “Allegiant expects to continue its strong relationship with Cerberus by providing cost effective advisory services and investment sourcing.” The new company will also pursue “a broad range of opportunities across a variety of commercial real estate debt products and yield targets for a wide variety of clients,” Reiff says.

He adds, “The flexibility to support a wide array of investment capital will allow us to offer borrowers ‘one-stop’ custom-tailored solutions to meet their commercial real estate financing needs up and down the entire capital stack. Allegiant is able to offer multiple products and raise and deploy capital from an extensive range of investors with different yield and risk profiles.”

Building on the success of its single-family rental finance business, FirstKey Lending launched FirstKey Commercial in June of 2014. The CRE platform offered customized, bridge loans from \$1 million to \$25 million to clients looking to purchase, refinance or reposition commercial properties, including office, retail, multifamily, industrial, self-storage and flagged hospitality assets.

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