

Helix Opens Bond-Analysis Unit

Helix Financial is shifting its focus so that it is no longer as reliant on the moribund CMBS underwriting business.

On June 18, the Charlotte firm launched a fixed-income analytics division that is seeking business from the new wave of bond funds, hoping to profit from opportunities created by the ongoing credit crisis. Until now, Helix earned most of its revenue by outsourcing services to commercial MBS underwriters.

So far, it has lined up six clients, including a new real estate debt vehicle, hedge funds and a large financial institution that wanted assistance in evaluating CMBS investments.

"There are a lot of funds organizing to buy positions at distressed prices," said **Wayne Fitzgerald**, a Helix managing director who was reassigned to head the unit. "We think a lot of funds will enter the CMBS space and will need analytics."

Helix maintains an extensive data-processing operation in India, where it stores performance information on mortgages backing CMBS issues. The information is being reshaped to create trading, credit-modeling, sub-advisory and asset-surveillance services for secondary-market buyers of CMBS and other commercial real estate debt. Helix is also creating database products.

The firm is hoping demand for its analytical services is boosted by investors' growing reluctance to commit capital to bonds solely on the basis of credit ratings. Fitzgerald said clients conducting due-diligence review of potential investments are eager for indications of whether downgrades or mark-to-market price adjustments are likely — forecasts rating agencies don't provide.

In addition, Helix reckons that some investors could need outside analytics to assess the large volume of CMBS deals that came to market in 2005-2007, when underwriting volume soared and credit quality varied widely.



Within the past month, the firm hired **Michael Kislin** as a director for business development. Kislin was formerly with **ZS Structured Capital**. ❖