

PacWest sells \$3.5 bln loan portfolio to PE firm Ares

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A general view of Pacific Western Bank in Huntington Beach, California, U.S., March 22, 2023. REUTERS/Mike Blake

June 26 (Reuters) - PacWest Bancorp ([PACW.O](#)) has sold a \$3.5 billion specialty finance loan portfolio to Ares Management ([ARES.N](#)), in an attempt to boost liquidity at the U.S. regional lender after a recent banking crisis sparked by an industry-wide bank run.

The loans were sold to funds managed by Ares' alternative credit arm, the private equity firm said on Monday, adding that Barclays provided the funding.

Over the past month, Los Angeles-based PacWest has also sold its real estate lending unit and a huge chunk of its real estate loans.

PacWest, along with other regional lenders, seems to have recovered its poise after a tense few weeks in the aftermath of the collapse of three U.S. banks. Shares of the bank rose 4.4% at \$7.55 in premarket trading and were up nearly 5% over the past month.

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