

Pat-Specific Deals + The Macro Pitch You've Been "Watching for 6 Months"

Anchorage / Pat McGrath interview prep — Maxwell Nides Supplement #6 — the final piece. Two halves: deeper deal forensics on Pat's named involvements + a concrete investment pitch on a live name with full cap structure analysis.

PART A — DEEPER PAT-SPECIFIC DEAL FORENSICS

1. J.Crew 2020 — McGrath publicly confirmed as the lead

The detail that wasn't in earlier supplements:

- McGrath is **publicly named in Anchorage's own materials and press coverage** as the lead on the J.Crew exit financing. This is his most directly attributed deal at Anchorage.
- The DIP-to-exit conversion was the **structural innovation**: rather than the DIP being repaid in cash at emergence, it converted directly to the \$400M exit term loan. McGrath structured this. It meant Anchorage didn't have to compete with outside lenders for the exit financing mandate — they were already in.
- **Pre-petition trading levels**: J.Crew's term loan traded down to ~40¢ on the dollar in early 2020 (per market reports). Anchorage's entry basis is therefore distressed; the equity-take-out at emergence was at materially lower than enterprise value.

For interview deployment:

"Your most-attributed deal at Anchorage is J.Crew, and what I find interesting about the structure is the DIP-to-exit conversion — you didn't have to compete for the exit financing because you'd already structured the DIP that way. That's the kind of move that requires both being a senior secured holder ahead of time AND having the modeling work to know what the exit cap structure needs to look like. That's exactly the legal-and-financial synthesis I trained for on the advisory side."

Sources: - [ABF Journal — Anchorage/GSO/DK \\$400M DIP to J.Crew](#) - [Secured Finance Network — Anchorage Becomes Majority Owner of J.Crew](#) - [PR Newswire — J.Crew Group Successfully Emerges](#)

2. Altice France 2023-2025 — IFR EMEA Restructuring of the Year, McGrath on steerco

Important new detail from the research:

- **Final terms (closed October 1, 2025):** Approximately **€8.6B of term debt eliminated**. Secured creditors received: **31% equity stake** + cash payment + reinstated secured debt with tighter documentation limiting Drahi's related-party transactions. HoldCo noteholders got 2.5% cash + 20% notes reinstated as 10% senior notes due 2033 + **14% equity** + contingent value rights.
- **IFR EMEA Restructuring of the Year 2025.** This is the major distressed credit award in Europe.
- **Steering committee composition (Anchorage's co-members):** Elliott Investment Management, PIMCO, BlackRock, Fidelity, UBS Asset Management (formerly Credit Suisse AM), Sona Asset Management, Sculptor Capital. Cooperation agreement grew to **200 institutions covering €19B of debt** at 94% participation.
- **Pat McGrath is publicly cited as on the steering committee.** This is his current marquee deal.
- Milbank repped the HoldCo (AFH) group; Gibson Dunn repped the OpCo secured creditors (Anchorage's cohort); Rothschild FA on the steerco.

For interview deployment:

"On Altice France — I've been watching how the secured steerco built and held a 94% co-op against Drahi over 18 months, which was the playbook the WRDIC panel was discussing at exactly the same time you were negotiating it. Two questions that I'd love to get your perspective on: first, how the steerco managed Drahi's threat of a French sauvegarde — that's the structural variable European RX has that the US doesn't; second, how the secured creditors got the related-party-transaction tightening into the reinstated documentation, which to me was as important as the 31% equity stake long-term. Both questions are about how legal architecture got built into the final outcome, not just the headline economics."

Why this hits: You're asking him about the work he's currently leading, but the questions are sophisticated (sauvegarde threat + doc tightening) and signal that you understand European RX mechanics, not just US ones.

Sources: - [IFR — Altice France EMEA Restructuring of the Year 2025](#) - [Octus — Altice France Co-Op Reaches 94%](#) - [Bloomberg/BNN — PIMCO, Elliott Among Altice Creditors Drafting Counter-Plan](#) - [Milbank — Completes Landmark Altice France Restructuring](#) - [Octus — Five Lessons From Altice France Saga](#)

3. NEW DEAL — At Home Group (2025): Anchorage in the lender-equity owner group

This was not in earlier supplements. Critical to know.

- **Filing:** June 16, 2025 Chapter 11 (prepackaged). **Emergence:** October 24, 2025. Hellman & Friedman PE-backed home decor retailer, taken private 2021 at \$2.8B.
- **Pre-reorg cap structure:** ~\$2.0B funded debt (senior secured term loans + notes). RSA signed on petition date covered **96% of funded debtholders**.
- **Anchorage's role:** Member of the ad hoc consenting lender group alongside **Redwood Capital Management (lead), Farallon Capital, Silver Rock Financial, Aryeh Capital Management, Glendon Capital Management**. The AHC backstopped a **\$600M DIP facility** (\$200M new money + \$400M roll-up of prepetition senior debt).
- **The structural play:** Upon emergence, the DIP converted to **98% of the reorganized equity**. Anchorage is now a meaningful equity owner of At Home Group post-emergence (alongside Redwood and Farallon).
- **Result:** ~\$1.62B of debt eliminated. Company emerged October 24, 2025 with 219+ stores open, clean balance sheet.

Why this matters for the interview:

This is the **same playbook as J.Crew** — DIP backstop, roll-up, DIP-to-equity conversion. It tells you Anchorage's playbook is **repeatable**, not a one-off, and that they're still running it post-2022. Saks Global (your pitch in Part B) is structurally similar.

For interview deployment:

"At Home this October was interesting — same DIP-to-equity playbook as J.Crew, just five years later and with Redwood Capital in the lead seat instead of Anchorage. The thing I noticed is that the playbook works specifically when (a) the company has unit economics that are positive at zero leverage and (b) the secured lenders can act fast enough to consolidate before a fight breaks out at the second-lien level. Both J.Crew and At Home had that profile. I'd be curious what other situations you're looking at where that template fits — small-cap, balance-sheet-not-operational-driven, secured creditors disciplined enough to backstop the DIP."

Why this hits: You're showing pattern recognition across his deals. You named At Home (which most candidates won't know), connected it to J.Crew structurally, and articulated the two conditions for the playbook. **This is exactly the kind of cross-deal pattern recognition that the senior associate seat requires.**

Sources: - [BusinessWire — At Home Successfully Completes Financial Restructuring](#) - [Retail Dive — At Home exits bankruptcy with nearly \\$2B in debt eliminated](#) - [Morningstar — At Home Group Enters](#)

[Agreement to Facilitate Ownership Transition - ION Analytics/Debtwire — At Home RSA Reflects "Double Dip" Transaction](#)

4. MGM Studios — the original (2010-2021)

Pre-McGrath but worth knowing for context.

- 2010 prepack Chapter 11. Anchorage committed **\$500M new equity** alongside Davidson Kempner, Highland, Solis. Kevin Ulrich took a board seat (chairman by 2017).
- **Eleven-year hold.** Sold to Amazon March 2021 for **\$8.45B** — Anchorage profit approximately **\$2B**.
- This is the deal that defines Anchorage's identity as a **patient, control-oriented distressed investor**. Use it as evidence that the firm has long-cycle DNA, not for the deal mechanics.

Summary table — Pat's verifiable involvements

Deal	Year	Pat's role	Anchorage outcome	Status
J.Crew	2020	Lead on exit financing	\$400M DIP → exit TL, equitized \$1.6B, majority owner	Closed, ongoing portfolio company
Altice France	2023-25	Steerco member	31% equity stake + 14% on HoldCo + reinstated secured debt	Closed Oct 2025; IFR Award
At Home Group	2025	AHC member	Member of group owning 98% of reorganized equity	Closed Oct 2025
Lumen 2024 LME	2024	Not publicly confirmed (AHC included Silver Point/PIMCO/Diameter/BlackRock)	Anchorage participation unconfirmed	Closed
MGM Studios	2010-21	Pre-McGrath (Ulrich era)	\$500M → \$2B profit, 11-year hold	Exited via Amazon sale

PART B — THE MACRO PITCH: SAKS GLOBAL EXIT TERM LOAN

Why this name

You need ONE specific credit you can speak to in cap-structure detail with a real trade idea. The criteria: - \$1-5B debt range (Anchorage's lane) - B-/CCC equivalent - 2026-2028 catalyst window - Public cap structure available - Active distress documentation - **Anchorage NOT publicly positioned** (so you're not pitching into their book)

Saks Global Enterprises hits all six. It's emerging from Chapter 11 on or about **June 22, 2026** — five weeks from now. The exit term loan is being placed in **primary issuance at 98 cents (2-point OID)**. The DIP holders who get the exit paper include Pentwater Capital, GoldenTree Asset Management, FFI Fund — not Anchorage. You can speak about it cleanly.

Important [VERIFY] caveats before stating any of this as fact in interview: - Exit TL coupon and spread are TBD - FY2027 EBITDA \$85M figure is from press reports of the disclosure statement — verify against actual DS projections - Exit TL maturity (expected 5-7yr term, 2031-2033 range) needs confirmation - Real estate collateral \$1.25B figure comes from the original SPV notes; recent appraisals may differ

The Pitch (~5 minutes verbal, structured)

1. The name

Saks Global Enterprises LLC — privately held combination of Saks Fifth Avenue, Neiman Marcus, Bergdorf Goodman, and Saks OFF 5TH. HBC (Hudson's Bay Co.) acquired Neiman Marcus Group in December 2024 for \$2.7B, creating the largest U.S. luxury department store operator.

Currently in Chapter 11 (filed January 13, 2026). Disclosure statement approved May 1, 2026. Confirmation hearing scheduled June 5, 2026. **Emergence targeted June 22, 2026.**

2. The cap structure

Pre-petition funded debt (~\$3.4B at Global Debtor level):

Tranche	Amount	Security
SPV-backed notes (5th Ave flagship real estate)	~\$1.25B	First lien on NYC flagship property
HBS JV leasehold notes	~\$428M	Certain leasehold interests
OpCo Notes (SGE level)	~\$362M+	Pari passu at OpCo
FILLO Term Loan	\$400M principal	First lien on ABL collateral, second on Notes collateral
HoldCo Seller Note (Neiman deferred consideration)	\$325M	HoldCo unsecured; due April 2026
Total funded debt at filing	~\$3.4B	

The 2029 Senior Secured Notes (issued at par summer 2025 as part of a \$600M attempt to delay restructuring) collapsed to **below 30¢** by January 2026 — the market priced near-zero secured recovery before the DIP was arranged.

DIP (January 2026): - \$2.6B DIP term loan (\$1B new money + \$1.6B roll-up) - \$1.5B ABL revolver DIP (\$240M incremental liquidity) - Lead AHC: Pentwater (\$1.2B = 37.9% of group), GoldenTree, FFI Fund

Post-emergence cap structure (June 22, 2026 expected): - \$750M exit term loan - \$347M exit ABL revolver - ~\$1.1-1.2B total debt - \$500M new money exit financing committed by senior noteholder AHC - Equity owned ~100% by former DIP lenders

3. Where to position

The exit term loan at primary issuance — 98¢ (2-point OID).

If it trades off to the low-90s in secondary within the first 30 days (likely; some DIP roll-up lenders will sell for liquidity), **that's the better entry.**

4. The thesis — why it's mispriced

The market default assumption: Saks is another retail Spirit Airlines — another company that gets a balance sheet cleanse and fails to fix its cost structure.

What the market is missing — five pieces:

(a) The FY2024 (\$102M) EBITDA loss was integration friction, not structural collapse. Neiman standalone was generating positive EBITDA pre-merger. Saks standalone was producing operating cash. The

merger destroyed both temporarily by creating chaotic integration WHILE the company was also trying to refinance — vendor payment disruptions, inventory starvation, talent attrition. Operationally fixable.

(b) The 50-store retained portfolio is a different business. Down from 70+. Concentrated in the highest-wealth zip codes. Per-store productivity should normalize materially. SG&A leverage is the residual risk.

(c) Bergdorf Goodman is irreplaceable. The 5th Avenue flagship is one of the most productive luxury retail real estate assets in the world by revenue per square foot. Brand cannot be replicated; customers have no substitute. **Strategic monetization optionality** (partial IP licensing, concession model with LVMH/Kering houses) is real upside not in any plan projection.

(d) Exit leverage is high but deleverages fast IF EBITDA normalizes. \$750M of term debt vs \$85M projected FY2027 EBITDA = ~8.8x at emergence. If FY2028 EBITDA reaches \$300M (which requires only 4% margins on \$7.5B revenue — below historical Neiman/Saks margins of 6-8%), leverage drops to **2.5x**. That's a massive deleveraging story.

(e) New ownership has perfect incentives. Pentwater/GoldenTree/FFI did NOT pay par for this paper. They bought distressed DIP notes; they're getting equity at a low basis. They will not over-lever it again. They're motivated to run it well.

5. Recovery scenarios

Scenario	FY2027 EBITDA	Exit TL trading	Return
Bear: -5% from plan; vendors destabilize again; Ch.22 within 3yrs	\$50M	60-70¢	-25 to -35%
Base: in-line with plan; EBITDA recovers \$150-200M FY2028	\$150-200M	100-105	+8-12%
Bull: Holiday 2026 +5%; Bergdorf monetization crystallizes; EBITDA \$250M+	\$250M+	105-110	+15-20%+

6. The collateral floor — the key asymmetry

Even in a bear-case Ch.22 scenario, the secured exit TL has a real recovery floor: - NYC flagship real estate (originally SPV-backed): ~\$1.25B value - OpCo collateral (inventory, fixtures, IP): material additional value - **Hard asset coverage:** ~\$1.5-1.75B against \$750M exit TL = **2-2.3x collateral coverage**

Implies a **recovery floor of 100+ on the secured term loan even in liquidation.** That's the structural asymmetry: capped downside via collateral, real upside via EBITDA recovery + Bergdorf monetization.

7. What would change my mind

- **Vendor re-destabilization.** Pre-bankruptcy Saks had \$275M+ in overdue vendor payments. If LVMH/Kering start limiting allocations or moving to consignment-only terms, gross margin collapses.
- **Luxury secular decline, not cyclical.** If the 2024 9% drop reflects a permanent shift to experiences/DTC, the full-price department store has no recovery. Hermes/Chanel already limit wholesale; if this accelerates, the model dies.
- **New ownership treats it as quick liquidation, not turnaround.** All the equity-driven decisions go wrong simultaneously.
- **Manhattan retail real estate impairment.** Sustained office-to-residential/WFH retail decline erodes the collateral floor.

8. The catalyst path

Date	Event
June 5, 2026	Confirmation hearing
June 22, 2026	Emergence; exit TL funded; new ownership in
July 2026	Secondary market trading begins; DIP roll-up technical sellers exit
Aug 2026	First management communication post-emergence
Sept-Oct 2026	Q3 FY2026 earnings (luxury retail's weakest quarter, but operational clarity)
Nov-Dec 2026	Holiday 2026 — THE signal quarter. Bergdorf performance specifically is the leading indicator.
Jan 2027	Full FY2026 report; adj. EBITDA vs \$85M target = market catalyst
2027	Potential Bergdorf strategic process (partial sale, brand licensing) — material upside event

9. Why this fits Anchorage specifically

Direct connection to their playbook: - **J.Crew/At Home template:** distressed secured paper → DIP-to-equity conversion → patient hold of post-emergence equity. Saks is the secondary version — buy the exit TL of a company someone else already DIP-equitized. - **ACO IX mandate fit:** "issuers with smaller capital structures and some degree of complexity." \$750M exit TL, multi-tranche pre-petition cap structure, vendor/luxury sector dynamics, real estate collateral — exactly that profile. - **Multi-tier cap structure expertise:** Altice France's OpCo/HoldCo/SPV waterfall is structurally similar to Saks's SPV/OpCo/FILO/HoldCo seller-note structure. The desk has the analytical machinery.

How to deploy this in the interview

If Pat asks "pitch me a long or short" — go directly into Saks Global

Open with a one-sentence frame:

"I've been watching Saks Global since the vendor-payment story broke in late 2025. The pitch I have is the exit term loan at primary, with secondary entry around 90-95 if the technical selling I expect materializes in July."

Then walk the structure (sections 2-9). Target **5 minutes verbal, with cap structure on a whiteboard if available.**

Key delivery notes

- **Don't recite numbers without context.** The cap structure is dense; pause between tranches. Pat is testing whether you understand the relationships, not whether you've memorized.
- **Lean into the collateral-floor argument.** This is the asymmetry. If you only have 60 seconds, get to "exit TL with \$1.5-1.75B in hard collateral against \$750M of debt — that's 2x coverage in a bear case."
- **Acknowledge what's not in your favor.** The luxury sector secular question is the real risk. Naming it preempts his pushback.
- **Have the Holiday 2026 catalyst ready.** "The signal quarter is November-December 2026. Bergdorf specifically is the leading indicator." This is what investors do — they have specific catalysts with specific timing.

If Pat probes the pitch

Likely probes and your responses:

"What's Anchorage's edge in this name versus, say, Pentwater or GoldenTree who are already in?"

"They're locked in at their DIP basis and will be motivated equity-holders trying to run the business. The opportunity isn't competing with them for equity — it's buying the exit term loan they'll be selling in size to free up risk budget for their next deals. Pentwater alone holds \$1.2B of the DIP paper they're getting equity for; they don't want to also hold the exit term loan. That's the selling overhang I expect in July."

"Why not buy the equity directly through a secondary process?"

"Two reasons. First, the equity is unregistered private — not liquid for institutional positioning at scale. Second, the asymmetry is better on the term loan: capped at par + coupon, but with hard collateral floor giving recovery upside in distress scenarios. The equity is option-like; the term loan is closer to bonds-with-warrants. For a credit-focused fund, the term loan is the cleaner instrument."

"What's the credit-fundamental case for luxury retail in 2026?"

"Two-factor: a structural piece and a cyclical piece. Structurally, the ultra-HNW consumer — top 1% by income — has been resilient through the 2023-24 luxury pullback. That's exactly Bergdorf's customer base. The cyclical piece is that the 'aspirational' luxury consumer (the affluent professional, not the ultra-wealthy) overshot in 2021-22 and undershot in 2023-24. Tariff disruption added a one-time inventory bullwhip in 2025. Normalization through 2026-27 is the base case. The bear case is that 'aspirational' luxury never recovers — that the shift to experiences and DTC at the brand level is permanent. That's the real risk to the thesis, and Holiday 2026 is the moment we find out."

CAVEATS — VERIFY BEFORE INTERVIEW

The agent flagged these items as needing verification:

1. **Exit term loan coupon/spread** — final terms not yet public. Check leveraged loan market sheets at emergence.
2. **FY2027 EBITDA in the disclosure statement** — the \$85M figure is from press; read actual DS projections table.
3. **SPV real estate collateral value** — \$1.25B is from original SPV notes; recent appraisals may differ.
4. **Exit TL maturity** — expected 2031-2033 range; confirm in plan of reorganization.
5. **Enterprise value at emergence** — confirm against the \$750M debt to avoid embarrassment on the leverage figure.
6. **Whether Pentwater, GoldenTree, FFI is actually the AHC composition you expect** — confirm via the most recent disclosure / RSA filings.

Action item: in the 24-48 hours before the interview, pull the most recent court filings (Stretto/Epiq claims agent for Saks Global), confirm the cap structure numbers, and update any [VERIFY] items. Don't walk in with stale figures.

ALTERNATIVE PITCH IDEAS (IF YOU PREFER A DIFFERENT NAME)

If Saks doesn't feel right, the next-best candidates from the research:

- **At Home Group post-emergence equity/bond** — but Anchorage IS in this name (avoid)
- **EchoStar/DISH DBS holdouts** — Ergen's serial LMEs leave specific tranches stranded; complex but rich
- **Diebold Nixdorf** — post-emergence credit, ATM/POS sector
- **Mallinckrodt II / Endo II → Keenova merger (2025)** — specialty pharma post-second-emergence stub

For maximum fit-to-Anchorage and freshness, **Saks is the strongest single pitch**. It's live, it's mid-cap, it has the multi-tier complexity, it has hard collateral, and Anchorage is not publicly positioned.

ONE LAST DELIVERY NOTE

When you walk into the room with a pitch this detailed, **don't lead with it**. Wait until Pat opens the door with "pitch me a name" or "what are you watching." If you volunteer it unprompted, it reads as performative — like you came in with a script. **The pitch is your closer, not your opener.**

If he asks generally about the market early, give the 90-second macro thesis (Supplement #1). If he probes specifics — "name a name" — that's when Saks comes out.

Six supplements now delivered. This is the final piece. You should have everything you need.

The structural narrative (Supp #1). The McGrath audio (Supp #2). The "why investing" answer (Supp #3). The reading list + 15Q (Supp #4). The "why Anchorage" 4-pillar (Supp #5). The deals + pitch (this one).

Good luck Monday.