

## Credit Financing

### A Tradition of Straight Talk to Financial Institutions

Banking and credit are no longer businesses of tradition.

Today, credit markets and banking transactions are undergoing changes greater than anything seen in modern times.

Andrews Kurth is positioned to work in this arena. For over 100 years, the firm has participated in all aspects of the finance and capital markets, public, private and government. Andrews Kurth has represented commercial and investment banks, funds, insurance companies, finance companies, governmental regulatory agencies and borrowers in all types of M&A transactions, dealings with regulators, securitizations, as well as commercial, real estate, energy and development loans in numerous industries.

Our banking practice began at the dawn of the twentieth century, when we helped to organize Texas Commerce Bank, now a part of JPMorgan Chase. As changes in credit finance and banking progress, Andrews Kurth lawyers counsel at all stages of adaptation. Areas of our Banking/Financial Services practice group include:

- Commercial Lending and Syndicated Finance
- Mortgage Banking and Securitization
- Energy Finance
- Real Estate Finance
- Lender Liability
- Regulatory Compliance

**Banking and Financial Services Clients.** We are skilled business advisors to banks, thrifts, diversified financial service companies, pension funds and insurance firms.

Recognized for our work in complex asset-backed securitization and energy finance, Andrews Kurth lawyers work to get deals done, protect the lender's collateral and satisfy regulatory requirements. Client issues we address include:

- Bank regulatory matters
- Commercial and energy loans
- Disposition of troubled properties
- Financing of leveraged acquisitions
- Foreclosures and loan workouts
- Institutional placements of debt securities
- Project and structured financing
- Real estate financing and syndications
- Swaps and other derivative transactions
- Syndicated financing transactions

### Commercial Lending and Syndicated Finance

Andrews Kurth represents lenders and borrowers in virtually every type of commercial lending transaction. We work to finalize a loan transaction in the simplest of structures consistent with our clients' needs, as expeditiously and cost-effectively as possible.

We have vast experience in large and small, secured and unsecured commercial credit facilities ranging from small loans and single borrowers to billion-dollar syndicated credit facilities and exotic forms of structured finance. These include:

- Traditional commercial loans

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- Asset-based lending agreements
- Construction and development loans
- Leveraged and synthetic leases
- Securitization conduits

**Syndicated Finance.** Highly experienced in the syndicated loan market, our lawyers have gained considerable insight from serving as counsel to both lenders and borrowers. We advise clients on the type of structure and documentation expected in that market. We lend assistance in all phases of a syndicated transaction. This includes establishing a structure, assisting in the preparation of an information memorandum and term sheet, performing due diligence, and negotiating, documenting and closing the transaction.

**Commercial Lending.** We have assisted lenders of all sizes in taking virtually every kind of personal and real property as collateral. This includes accounts, inventory and equipment, intellectual property, real estate, producing and non-producing oil and gas properties, and credit enhancement vehicles.

**Loan Documentation.** As part of our practice background, we have extensive experience in all types of loan-related documentation including intercreditor agreements, interest rate option and swap agreements, collateral agency agreements, subordination agreements, collateral custodian agreements, purchase and sale agreements, letters of credit and many others.

## Mortgage Banking and Securitization

We represent mortgage banking and financial institutions in all aspects of the mortgage banking and loan securitization.

Experienced in the business from the ground up, our lawyers provide legal counsel to loan originators for their creating, buying and selling loan servicing rights and loan origination businesses. We also provide legal counsel to them for their originating a wide variety of first lien/single family and commercial/multifamily mortgage loan products.

Our transactional advice on individual mortgage loans includes whole loan sale, participation and pass-through transactions, as well as a wide range of mortgage loan securitization and conduit programs. We provide counsel to those securitizing residential and commercial loan pools that reflect the latest rating agency criteria, servicing developments and investor demands, and meet all rules and standards of the Federal Home Loan Mortgage Corporation (FHLMC), Fannie Mae (FNMA) and Ginnie Mae (GNMA).

## Energy Finance

We represent domestic and international energy clients, from small independents to integrated majors and pipeline companies and utilities. We strive to negotiate the most effective capital structures and counsel on every aspect of exploration, production, processing, refining, infrastructure, transportation, trading and marketing. Our work with lenders on energy deals includes:

- Secured and unsecured debt financing and mixed debt/equity financing vehicles
- Leveraged leasing and sale/leaseback transactions
- Production payment financings and power purchase agreements
- Project financing

## Real Estate Finance

Andrews Kurth's banking, corporate, real estate and tax professionals work together on complex real estate transactions. We provide legal counsel to lenders and borrowers who wish to enter a synthetic lease or other real estate loan with accounting and tax advantages in mind.

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Working with clients with real property matters based regionally and nationally, we have counseled parties on all sides and aspects of transactions, including:

- Commercial mortgage brokers
- Conduit lenders
- Construction and development lenders
- Life insurers
- Mortgage loan servicers
- Pension funds
- Publicly traded limited partnerships
- Real estate developers
- Real estate investment trusts (REITs)
- Securitized mortgage originators

Typical real estate projects have included leased retail and office space, particularly in complexes of over one million square feet. Other project experience includes hotels and gaming properties, arena/civic center projects and industrial facilities.

### Lender Liability

We often represent lenders as secured creditors in loan workouts and restructurings, bankruptcies, liquidations and foreclosures. When our lawyers are involved in transactions from the start, we can build maximum creditor protection into the loan documentation.

If reorganization or liquidation of a debtor becomes necessary, we strive to pursue the action best suited to recover our client's investment. Our approach is flexible and practical in the areas of collateral recovery, distressed asset sales and lending and securing assets from debtors-in-possession. Should foreclosure or bankruptcy litigation become necessary, we strive to obtain maximum collateral recovery.

### Regulatory Compliance

Andrews Kurth's regulatory counsel includes advising clients on the requirements for the acquisition, brokering, origination and/or servicing of commercial and mortgage loans in all 50 states. We work with regulators from such agencies as:

- Federal Reserve Board (FRB)
- Federal Deposit Insurance Corporation (FDIC)
- Office of Thrift Supervision (OTS)
- Comptroller of the Currency (OCC)
- Multistate banking agencies, including in Texas

Our counsel includes securing approval for mergers, acquisitions and hostile takeovers. We also help new financial institutions obtain charters and deposit insurance and form bank holding companies.

Whether addressing bank examiner concerns about lending programs, or asset quality, or communicating on restructuring, bank purchases and sales, and similar changes, our lawyers are strategic advisors and navigators through the regulatory system.