

# COMMERCIAL REAL ESTATE

## Workouts, Turnarounds & REO



October 6-8, 2008 | Doubletree Ocean Point Resort & Spa | Miami, FL

## Strategies for Lenders to Survive and Thrive in Today's Commercial Real Estate Environment

- » Handling workouts with borrowers—assessing the situation and developing a strategy
- » Dealing with intercreditor issues in commercial real estate workouts
- » Handling foreclosure and property recovery challenges—dealing with litigation, settlement and title transfer
- » Developing creative exit and property disposal strategies that maximize recovery
- » Plus! Roundtable discussion on working through a distressed commercial real estate loan

 Don't miss the Pre-Conference Events:  
Monday, October 6, 2008

1 Pre-Conference Event: **Fundamentals of Bankruptcy & Foreclosure Law**

2 Pre-Conference Event: **"Stress-Testing" Commercial Real Estate Loans & Portfolios**

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## About Commercial Real Estate Workouts, Turnarounds & REO

*Strategies for Lenders to Survive and Thrive in Today's Tough Environment*

Commercial real estate seems poised on the brink of a precipice not unlike that which has plagued the residential sector—tightening credit markets and declining asset values are driving many loans and developments into distress. The potential number and value of troubled loans may approach levels not seen since the S&L crisis of the early '80s, while changes in the banking industry will make workouts more difficult. Over two decades of high-performing real estate markets have caused the contraction of special situations groups, while the structures of commercial loans have increased in complexity, with the addition of multiple tranches in many loans and the growth of commoditization via CMBS. How will lenders quickly gain the expertise to weather the coming tsunami?

**Commercial Real Estate Workouts, Turnarounds & REO** will provide lenders the strategic insights and practical tactics to deal with the underperforming commercial real estate loans in their portfolio. It will provide the tools to assess the situation of a given loan in preparation for action; deal with the practical issues in executing commercial real estate workouts; work through intercreditor issues in commercial real estate loan sales; and devise creative exit strategies.

*Don't miss the Pre-Conference Events:  
Monday, October 6, 2008*

*1 Pre-Conference Event:*

**Fundamentals of Bankruptcy & Foreclosure Law**

*2 Pre-Conference Event:*

**"Stress-Testing" Commercial Real Estate Loans and Portfolios**

Tuesday, October 7, 2008

## Stage 1: Workouts with Borrowers

### Making a Critical Assessment of the Loan Documents—What They Tell You About Your Options

The first step in determining your workout strategy is assessing the options that might be available to you under loan agreements. This presentation will provide an overview of the key elements to look for in loan documents and intercreditor agreements and how each affects your course forward.

**Michael B. Manuel**, *Principal*, GOLDBERG KOHN LLP

### Using Forbearance Agreements in Commercial Real Estate Workouts

Many borrowers believe their distressed projects remain fundamentally sound, but temporary conditions have put their investments in jeopardy. One tool available in this situation is the use of a forbearance agreement. This presentation will examine the potential benefits and risks of this approach as well as guidelines for crafting good forbearance agreements.

**Shari Olefson**, *Member*, KLUGER PERETZ KAPLAN & BERLIN DISTRESSED ASSETS GROUP

#### Panel Discussion:

### Intercreditor Issues in Commercial Real Estate Workouts

A major change in commercial real estate financing since the last major lending crisis is the proliferation of multiple tranche financings, featuring many layers of senior and junior mezzanine, equity and other investments. This promises to create the potential for both more complex legal issues in handling multiple layers of contract covenants, as well as a more dynamic workout environment, where the various lenders have different outlooks on the best path forward in a workout. This panel will explore the legal and strategic factors in these situations, including:

- » Will intercreditor agreements hold together in a bankruptcy proceeding?
- » The impacts of REMIC guidelines and trust regulations on workout options and strategies
- » Role of mezzanine lenders in workouts and loan sales
- » Assessing the opportunities for investment and providing services

Panelists:

**Robert (Robin) C. Jones, Jr.**,

PILLSBURY WINTHROP SHAW PITTMAN LLP

**Eric Remensperger**, *Partner*, PROSKAUER ROSE LLP

**Steve Silverman**, *Member*, KLUGER PERETZ KAPLAN & BERLIN DISTRESSED ASSETS GROUP

**Paul Singerman**, *Co-Chief Executive Officer*, BERGER SINGERMAN

## Group Luncheon

### Property Recovery Stage 2: Foreclosure and Property Recovery

### Pursuing Litigation vs. Settlement Strategies

When projects move beyond pure workout situations, different strategies come into play. One of the most important decisions is whether to pursue a strategy of litigation to gain control of a property or do this via a settlement process. This presentation will explore the pros and cons of each approach and examine key considerations in pursuing each.

**Joseph T. Lynyak III**, *Partner*, VENABLE LLP

### Dealing with Title Issues

Title is a huge issue in property recovery. If liens are not wiped out via a foreclosure, they can make a distressed situation significantly more complex. This presentation will examine best practices for handling title issues for distressed commercial real estate.

**Stephanie Blanton Munsey**, *President*, USA TITLE INSURANCE TITLE COMPANY

### Issues in Taking Title of Incomplete Projects

Many distressed commercial real estate projects across the country have not been completed. This presentation will examine how to handle the issues involved in taking title of incomplete projects.

**Carey Stiss**, *Member*, BILZIN SUMBERG BAENA PRICE & AXELROD LLP

**Wednesday, October 8, 2008**

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## Special Issues with Condo Projects

The condo segment has been especially hard hit in many regions. Compared to many commercial projects, taking over a condo project involves significantly more legal, financial and social issues. This presentation will discuss dealing with the special issues involved in a condo project takeover.

- » Homeowners association issues
- » Successor-developer issue-items
- » Bylaw items
- » Changes to condo doc items

**Eliot Abbott**, *Member*, KLUGER PERETZ KAPLAN & BERLIN DISTRESSED ASSETS GROUP

**Steve Silverman**, *Member*, KLUGER PERETZ KAPLAN & BERLIN DISTRESSED ASSETS GROUP

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## Roundtable:

### Working Through a Distressed Commercial Real Estate Loan

This roundtable will follow an example commercial real estate project with a non-performing loan through the workout and property recovery process. Experts will offer practical hints on how to deal with many of the thorny strategic and tactical issues that arise.

Participants:

**Dirk S. Aulabaugh**, *Senior Director*, ALVAREZ & MARSAL REAL ESTATE ADVISORY SERVICES LLC

**David S. Heller**, *Partner, Global Co-Head of Insolvency Practice Group*, LATHAM & WATKINS LLP

**Eric Remensperger**, *Partner*, PROSKAUER ROSE LLP

**Steve Silverman**, *Member*, KLUGER PERETZ KAPLAN & BERLIN DISTRESSED ASSETS GROUP

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## Stage 3: Property Disposal and Creative Exits

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### Managing Distressed Commercial Property Prior to a Sale

Effectively managing property during the period of time between taking possession and disposal is critical to the potential amount to be recovered. This presentation will explore how to best deal with tenants, property upkeep and other management issues prior to a sale.

**Richard Langhorne**, *First Vice President*, CB RICHARD ELLIS

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### Effectively Marketing a Commercial Property during Challenging Marketing Conditions

Most lenders have difficulty determining how to maximize the proceeds from selling a distressed commercial property, especially in the current challenging market. This presentation will discuss strategies in marketing, including sales strategies to increase marketability and competitive interest, targeting potential classes of buyers, and proven sales methods allowable under bankruptcy.

**Dirk S. Aulabaugh**, *Senior Director*, ALVAREZ & MARSAL REAL ESTATE ADVISORY SERVICES LLC

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### Handling Auctions Sales at Foreclosure

This presentation will discuss how to maximize returns in a foreclosure auction.

**Speaker to be announced**

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### Commercial Property Sales Under the Bankruptcy Code

The final exigency in disposing of commercial property is selling under bankruptcy proceedings. This presentation will offer guidelines on how to handle a commercial real estate asset sale under the restrictions imposed by REMIC and the bankruptcy code.

**David S. Heller**, *Partner, Global Co-Head of Insolvency Practice Group*, LATHAM & WATKINS LLP



Monday, October 6, 2008

## 1 Pre-Conference Event • 9:00-Noon:

### Fundamentals of Bankruptcy & Foreclosure Law

This tutorial will review steps commonly encountered in recovering commercial real estate collateral so that attendees will be better prepared to deal with troubled assets. The tutorial will include the following topics:

- » Processes and procedures typical for commercial mortgage foreclosure
- » How to assess bankruptcy risk and what a bankruptcy restructure entails for debtors and creditors
- » How to prepare for a possible foreclosure
- » Creative use of the foreclosure and bankruptcy process

Presenters:

**Ronald Barliant**, *Principal*, GOLDBERG KOHN LLP

**Michael B. Manuel**, *Principal*, GOLDBERG KOHN LLP

**Michael Seese**, *Partner*, KLUGER PERETZ KAPLAN & BERLIN DISTRESSED ASSETS GROUP

## 2 Pre-Conference Event • 1:00-5:00 pm:

### “Stress-Testing” Commercial Real Estate Loans and Portfolios

As various influences come into play—in this case, external events created by adverse developments resulting from a variety of causes (interest rate increases, declines in property values, etc.)—banks must reassess the degree of protection accorded by the borrowers’ and guarantors’ ability to repay and protection provided by equity in collateral properties.

This workshop will discuss how to stress test loans as interest rates and deteriorating creditworthiness of the borrowers change the risk picture. It will give you the tools to assess how market conditions will affect first-order credit risk, as well as exposures that result from some types of derivative transactions and those related to collateral whose value is tied to the creditworthiness of the borrower.

Presenters:

**Dirk S. Aulabaugh**, *Senior Director*, ALVAREZ & MARSAL REAL ESTATE ADVISORY SERVICES LLC

**Bruce Gamble**, *Managing Director*, ALVAREZ & MARSAL REAL ESTATE ADVISORY SERVICES LLC

**Jerry Pietroforte**, *Managing Director*, ALVAREZ & MARSAL REAL ESTATE ADVISORY SERVICES LLC



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(818) 888-4440
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mail@infocastinc.com
- 4 Mail**  
6800 Owensmouth Ave.  
Suite 300  
Canoga Park, CA 91303
- 5 Web**  
[http://www.infocastinc.com/reo\\_workouts](http://www.infocastinc.com/reo_workouts)

Tuition	Standard
Commercial Real Estate Workouts, Turnarounds & REO (October 7-8)	\$1,695.00
1 Pre-Conference Event (October 6): Fundamentals of Bankruptcy & Foreclosure Law 9:00 a.m.-Noon	\$495.00
2 Pre-Conference Event (October 6): "Stress-Testing" Commercial Real Estate Loans and Portfolios Noon-5:00 p.m.	\$495.00
Both Pre-Conference Events (October 6) 9:00 a.m.-5:00 p.m.	\$795.00

**Discounts:**  
Team Discount for teams of three or more from the same organization, the third and subsequent registrants qualify for a 50% discount off the Standard Tuition rate.  
Please note: Discounts are subject to verification and approval. No discounts can be combined.

**Venue/Hotel Accommodations:**  
Infocast has secured a limited number of rooms at the Doubletree Ocean Point Resort & Spa at the special rate of \$149.00/night until September 5, 2008. To receive the special rate, call the hotel directly at 866-623-2678 and mention that you are an Infocast/Commercial Real Estate Workouts, Turnarounds and REO registrant. The hotel is located at 17375 Collins Avenue, Miami, FL 33160. Please visit the event website at [www.infocastinc.com/reo\\_workouts](http://www.infocastinc.com/reo_workouts) for additional information.

**Continuing Education Credits:**  
Infocast certifies that this activity has been approved for Continuing Education credit by the State of California in the amount of 10 hours for the conference and an additional 3 hours for the pre-conference tutorial and 4 hours for the pre-conference workshop. Continuing Education credit hours are subject to change.

**Cancellation, Refunds & Credits:**  
Should you be unable to attend, a refund, less a \$195 administrative charge, will be made for cancellations received via letter or fax at least 10 working days before the event. We will be pleased to transfer your registration to another member of your company, or credit the registration fee to another Infocast conference if you register within 6 months from the date of this conference. In the event the conference is cancelled, Infocast's liability is limited to the refund of the conference registration fee only.

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# COMMERCIAL REAL ESTATE Workouts, Turnarounds & REO

Infocast  
6800 Owensmouth Ave.  
Suite 300  
Canoga Park, CA 91303



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## Registration Form

### Commercial Real Estate Workouts, Turnarounds & REO

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Please check one or more of the following:

- I would like to take advantage of the team discount (see left)
- I can't attend, but put me on your mailing list for future programs

Tuition	Standard
Commercial Real Estate Workouts, Turnarounds & REO (Oct. 7-8)	\$1,695.00
1 Pre-Conference Event (Oct. 6) 9:00 a.m.-Noon	\$495.00
2 Pre-Conference Event (Oct. 6) Noon-5:00 p.m.	\$495.00
Both Pre-Conference Events (Oct. 6) 9:00 a.m.-5:00 p.m.	\$795.00
<b>Total:</b>	

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Organization: \_\_\_\_\_

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