

## Distressed Asset Team Representative Transactions

The credit crisis in the financial markets has led to many transactional opportunities, including (i) investing by hedge funds, private equity and other investors in distressed assets, such as corporate loans and debt, collateralized debt obligations/collateralized loan obligations (CDOs/CLOs) and mortgage-backed and asset-backed securities; (ii) corporate and real estate bankruptcy, restructuring and workout transactions related to the credit crisis; (iii) restructuring CDOs and other structured finance transactions; and (iv) solutions for tranching and securitized real estate debt.

Some of the transactions Katten's Distressed Asset Team has successfully executed or is currently handling include the following:

- Represented manager of hedge fund in connection with formation of opportunity fund to invest in distressed residential mortgage-backed securities (RMBS).
- Represented investment bank in multiple issuances and private placements of resecuritization (Re-REMIC) securities backed by distressed underlying RMBS.
- Represented CDO and CLO investors in due diligence reviews of issuer documentation and collateral acquisitions; counseled investors and collateral managers in restructurings of CDO and CLO transactions; and represented sponsors and issuers in liquidations of warehouse financing arrangements.
- Represent U.S. manufacturing company as issuer of notes in trade receivable securitization with respect to significant restructuring of facility in connection with changing market conditions.
- Represent hedge funds and investment banks in (i) purchase and sale of distressed bank loans to domestic and international companies; (ii) acquisition of trade claims against chapter 7 and 11 debtors arising from defaulted trade receivables; and (iii) negotiation of accounts receivable put programs.
- Represented hedge funds engaged in financing transactions, including loan origination, investments in funds engaged in financing transactions, and structuring incubation arrangements with investment managers in this space.
- Represent borrowers, issuers, credit enhancers, underwriters and derivative counterparties in multiple restructurings of tax-exempt auction rate securities in connection with failed auctions and downgrades of monoline insurers.
- Represent numerous lenders in deed in lieu of foreclosure of commercial real estate transactions throughout the country.
- Represent a mezzanine lender in implementing a strategy to deal with the holder of a senior mortgage on a property in Connecticut, as well as preparing for a possible UCC foreclosure sale on pledged membership interests and a suit on a guaranty.
- Represent the acquirer of a major position in a tranching loan from Bear Stearns, as agent, including renegotiation of intercreditor agreements and clarifying obligations of the Federal Reserve with respect to representations and duties of the agent.

### Contact Us

#### *Distressed Asset Team Co-Chairs*

**Eric S. Adams**

212.940.6783

[eric.adams@kattenlaw.com](mailto:eric.adams@kattenlaw.com)

**Sheri P. Chromow**

212.940.8529

[sheri.chromow@kattenlaw.com](mailto:sheri.chromow@kattenlaw.com)



- Represent an investor in the recapitalization of an owner, including negotiations of preferred return, controls and cramdown rights.
- Represented sellers and buyers in sales and acquisitions of defaulted and near-defaulted mortgage loans and loan portfolios.
- Represented aircraft financing parties in connection with most of the airline reorganizations during the last decade.
- Advise plan fiduciaries on due diligence with investment managers and investment funds to determine whether plan is exposed to inappropriate assets.

## About the Firm

Founded in 1974, Katten Muchin Rosenman LLP is a full-service law firm with more than 650 attorneys in locations across the United States and an affiliate in London. The firm's business-savvy professionals provide clients in numerous industries with sophisticated, high-value legal services, with a focus on corporate, financial services, litigation, real estate, commercial finance, intellectual property and trusts and estates. Among our clients are a wide range of public and private companies, including nearly a third of the Fortune 100, as well as a number of government and nonprofit organizations and individuals. For additional information, visit [www.kattenlaw.com](http://www.kattenlaw.com).

Published for clients as a source of information. The material contained herein is not to be construed as legal advice or opinion.

**CIRCULAR 230 DISCLOSURE:** Pursuant to regulations governing practice before the Internal Revenue Service, any tax advice contained herein is not intended or written to be used and cannot be used by a taxpayer for the purpose of avoiding tax penalties that may be imposed on the taxpayer.

©2008 Katten Muchin Rosenman LLP. All rights reserved.

# Katten

Katten Muchin Rosenman LLP

[www.kattenlaw.com](http://www.kattenlaw.com)

CHARLOTTE

CHICAGO

IRVING

LONDON

LOS ANGELES

NEW YORK

PALO ALTO

WASHINGTON, DC