Frost Brown Todd Closes $150 Million, 6 State Loan Transaction for Lender

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Categories:

Experience

In 2008 a life insurance company client turned to Frost Brown Todd to close a $150 million portfolio of cross-collateralized loans secured by seven properties located in six states, including one single tenant property that achieved LEED Gold certification for Commercial Interiors. The borrowers were newly created special purpose entities owned by a joint venture between two publicly traded real estate investment trusts (REITs).

Geoff White, a Member in the Louisville office, was able to lead a team of four attorneys and one paralegal in fully negotiating the seven sets of loan documents, assisting in structuring of the loan and borrower entities and reviewing the necessary diligence required in connection with the loans.

Due to the needs of the Borrowers, the transaction closed in two phases, with the first five loans closing in the late third quarter of 2008 and the final two loans closed late in the fourth quarter of 2008. In addition, the lender allowed for two of the projects, which were leased to a prominent national internet retailer, to be expanded during the loan term and Frost Brown Todd has handled the subsequent modification of those loans to properly implement lender protections in order to minimize the risk of such significant construction.

FBT Gibbons