

Commercial Real Estate Finance

Miller Canfield's Commercial Real Estate Finance team represents banks and other financial institutions in structuring, negotiating, documenting, closing and administering financings secured by commercial real estate and other collateral. Our attorneys have substantial experience project-level financing for the acquisition, renovation, repositioning, construction and development of a broad spectrum of real estate assets including office buildings, hotels, retail, industrial, warehouse buildings, ground leases, student housing, condominium projects, senior housing, multi-family apartment projects, lifestyle centers, medical office buildings, parking facilities, and sports and entertainment venues.

Our practice is national in scope, as we represent local, regional and national banks and financial institutions with respect to complex financing transactions throughout the country, including acquisition and development loans, construction loans, bridge loans, revolving loans, unsecured loans, bond financings, letter of credit facilities and other credit enhancements. In addition to bilateral financings, we have extensive experience in representing the administrative agent and lead bank in syndicated financings involving multiple lenders, and in representing participating lenders in such syndicated financings.

Working hand-in-hand with the firm's real estate workout and foreclosure practitioners, our team also regularly represents banks and other commercial lenders in bankruptcies, workouts and enforcement actions of distressed and defaulted loans and in maximizing recovery in distressed loans.

Providing a responsive, solutions-based approach to structuring and negotiating transactions, our multidisciplinary Commercial Real Estate Finance team enjoys a deep bench of experienced attorneys from the firm's Financial Institutions, Bankruptcy and Restructuring, Real Estate and Litigation groups. Our team has the technical experience to handle complex financing transactions, as well as the ability to craft practical solutions needed to complete closings. We understand our clients' objectives and help them achieve their goals, providing proactive deal management to usher the transaction to closing.

Clients choose Miller Canfield's commercial real estate financing team for our broad and significant experience, particularly in the areas of construction financing, syndicated (multi-lender) financings and complex credits, as well as for our responsive, solutions-based approach to structuring and negotiating transactions. Our organization, professionalism and depth of experience are often cited by our clients as factors that differentiate us from other law firms.

Wide-Ranging Client Base and Experience

Our lending clients include banks, investment banks, life companies and other institutional lenders as well as mortgage bankers, conduits, governmental agencies, REITs and other non-bank lenders.

Comprehensive Property Type Experience

Our experience ranges over the spectrum of property types, including office, retail, multifamily, hotel, resort, industrial, self-storage, warehouse, marina and mixed-use properties and manufactured housing communities. We have broad experience with sports complexes and arenas, parking structures, condominiums, residential development, single-family rental portfolios, ground leases and air rights.

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Deep Drafting and Negotiation Expertise and Experience

We structure, negotiate and document transactions ranging from high volume lending programs through custom and complex fixed, floating and float-to-fixed rate portfolio and CMBS finance transactions. These include term, bridge and revolving facilities, land acquisition, development, construction and repositioning loans, senior, pari passu, mezzanine and subordinate debt, preferred equity, cash-managed and cross-collateralized facilities.

Extensive Credit Facility and Multi-State Structuring

We have extensive experience in connection with:

- Term, revolver and bridge loans
- Construction, renovation and repositioning loans
- Multiple borrower, multiple collateral parcel financings
- Multi-state transactions
- Intercreditor and subordination arrangements
- A/B notes
- Syndications
- Participations
- Club financing
- Preferred equity
- Strategic alliances
- Licensing issues
- Servicing agreements
- Table funding and conduit arrangements
- Mortgage loan purchase agreements
- Warehouse and repurchase agreements
- Whole loan portfolio purchase and sale agreements
- Assumptions and pooling
- Servicing agreements

Syndicated, Co-Lender and Club Facilities

We have extensive expertise and experience in the representation of administrative agents in drafting, negotiating, processing and closing syndicated financings involving two-bank, and medium and large bank groups on a regional and national basis.

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Non-Traditional and Non-Domestic Borrower Credit Support

We work closely with our clients, including private banking business lines, in connection with loans to, or guaranteed by, non-traditional and foreign parties. These parties include a range of trusts (as with intentionally defective grantor trusts and domestic and offshore asset protection trusts), family limited partnerships/limited liability companies, and other complex estate and asset planning configurations.

Tax-Advantaged and State Sponsored Facilities

We have long and significant experience with New Markets Tax Credit (NMTC), Low Income Housing Tax Credit (LITC), Historic Rehabilitation Tax Credit (HTC), state-sponsored Brownfield redevelopment programs and other tax-advantaged financing.

Interest Rate Risk Management

We routinely counsel banking clients on interest rate risk mitigation products, including forward-rate contracts, forward rate agreements, futures contracts, interest rate swaps, options, swaptions, embedded options, caps, floors and collars.

Partnering in the Design and Development of Lending Programs

Members of our team have been extensively involved in the collaborative design and development of both portfolio and CMBS lending programs and documentation, as well as systematic underwriting, diligence, processing and closing processes and technologies.

Efficient Team Structuring and Lean Processes - Reliable Results

Our collaborative lean processes, proprietary software and experienced paraprofessional staff enable us to cost-effectively and predictably manage and document a high volume of both production and unique, varied and complex transactions while permitting our attorneys to focus on collaborative transaction leadership and resolving key legal issues.

Representative Matters

We regularly advise clients in a diverse array of real estate financing facilities, including among them the following:

- Permanent, acquisition, term, bridge, repositioning and construction loans
- CMBS loans, both direct origination and conduit facilities, including large production programs as well as highly negotiated facilities
- Term, bridge and revolving credit facilities
- A/B tiered structures
- Secured and unsecured credit facilities

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- Mezzanine loans and preferred equity
- Warehouse and repurchase lines
- Synthetic and leveraged leases and leasehold financings
- Syndication, sale and portfolio acquisition
- Intercreditor, co-lender and participation arrangements

In this activity we have been regularly engaged with the following:

Commercial Real Estate Loan Originations

- We represent national, regional and state bank and nonbank financial institutions in the origination, acquisition or disposition of several thousand CRE mortgage loans destined for portfolio, syndication or securitization, ranging from small balance programs to large and complex facilities, and aggregating well in excess of \$2 billion. Among these engagements have been the following:
 - \$190 million of term and revolving loans to a group of borrowers secured by a portfolio of approximately 30 office, retail, warehouse and industrial properties located throughout the continental United States
 - Representation of a Michigan lender in providing approximately \$49 million in loans to a higher education borrower, secured by the college's real estate, tangible personal property and select securities accounts, and supported by a guarantee from the U.S. Dept. of Agriculture.
 - \$120 million syndicated repositioning loan for a trophy hotel asset located in downtown Indianapolis
 - \$25 million bridge loan for a portfolio of multifamily buildings in Dallas, Texas
 - Representation of national bank CMBS lenders in connection the closing and securitization of well over a thousand CRE loans in virtually every State, including industry-leading "small balance"(under \$15 million) loan programs
 - Ongoing representation of the wealth management division of a major national bank in connection with the origination of commercial real estate secured portfolio loans across the country
 - Served as lead counsel for the administrative agent and lender on a \$67 million syndicated loan transaction collateralized by 35 properties leased to various national retail tenants located in Ohio, New York, Pennsylvania and West Virginia.
 - Represented a New York-based affiliate of a large investment bank in connection with origination of line of credit bridge loans secured by the membership interest in the borrower, and the subsequent conversion of those bridge loans to term loans secured by pools of numerous properties
 - Imaginative structuring of Loan on Superfund site – Structuring of a two-level land condominium, with the polluted subsurface unit capped and held by the Ford Motor Company (with full indemnity) and the surface and near-surface unit separately owned by a commercial developer, with financing of the subsequent development of a major retail center

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- \$92 million multi-property, multi-state resort hotel loan restructuring and full re-documentation
- \$75.5 million multistate multifamily loan
- \$22.3 million airport parking loan
- \$39 million financing of former Army Depot converted to offices and research
- \$18 million big-box shopping center loan
- \$45.6 million multifamily Freddie Mac loan
- \$179 million three-bank multistate restaurant franchise financing facility
- \$50 million corporate acquisition package
- \$150 million mortgage and asset-backed repo facility
- \$35 million series of earnout, bridge, and mezzanine loans
- Major CRE servicing fee revolving working capital line of credit

Construction Lending

- Served as counsel to a national lender and administrative agent in an approximately \$152 million loan transaction for a hotel construction project in Austin, Texas.
- Represented a national financial institution in an approximately \$67.5 million secured construction loan transaction, which financed a multifamily project in Colorado.
- Served as counsel to a lender in a \$39.5 million construction loan to build three Class A industrial warehouse buildings. At the time of closing the construction loan, the collateral property was under contract to be sold to an investor fund. The loan was structured to permit the sale of the collateral properties upon core and shell completion and to permit the borrower to extend the loan maturity and lease the buildings to tenants to achieve project stabilization.
- Represented a national lender in an approximately \$112 million construction loan for a large mixed-use development in Florida.
- Represented a Michigan bank in \$21.75 million construction financing of a multi-family project in Grand Haven, Michigan, including incentives provided through the Michigan Community Revitalization Program, Grand Haven Brownfield Redevelopment Authority and Michigan Department of Environment, Great Lakes and Energy
- Represented national bank in \$11.1 million source loan to leverage lender in connection with the construction of Neurodevelopmental Center of Excellence in Flint, Michigan, funded with New Markets Tax Credits
- Represented national bank in \$29.4 million leasehold construction financing for multi-family project in Lutz, Florida
- Represented regional bank in \$44.4 million syndicated loan for the acquisition and construction of a 7-story family office building with underground parking structure in Grand Rapids, Michigan
- Syndicated construction loan and syndicated historic tax credit bridge loan for the renovation of an iconic building in the Uptown neighborhood of Chicago

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- \$150 million construction loan for a mixed-used project in Delray Beach, Florida
- \$69 million construction loan for a multifamily project in the suburbs of Denver, Colorado
- \$67 million syndicated construction loan for a hotel project in Ann Arbor, Michigan
- \$55 million construction loan for an industrial warehouse project in Pasadena, Texas
- \$46 million syndicated construction loan for industrial warehouse buildings in suburban Chicago
- \$45 million syndicated construction loan for a senior housing project in the north shore of Chicago
- \$42 million construction loan for a multifamily project in Ann Arbor, Michigan
- \$62 million bridge-to-construction financing for a commercial/residential project in mid-town Manhattan
- Syndicated secured construction loan for the development of a mixed-use project consisting of retail, office and residential apartments in the West Loop in Chicago
- Syndicated secured a construction loan for the development of a warehousing and light industrial project in the Pilsen neighborhood in Chicago
- Construction loan for the Gateway to the West Loop project in Chicago, and issuing a letter of credit to support tax increment allocation financing provided by the City of Chicago
- Loan to finance the purchase of bonds issued by the Portage County, Ohio Port Authority, the proceeds of which were used to construct a build-to-suit manufacturing and warehouse facility
- \$10.8 million participated manufactured housing property construction loan
- \$145 million five-bank stadium construction and financing package
- Multi-stage financing for acquisition, development and construction of first Cabela's-anchored and the first Costco-anchored shopping center in West Michigan
- Construction financing for the renovation of Rowe Hotel building in downtown Grand Rapids
- Construction financing for apartment building forming the outfield of the wall of the Lansing Lugnuts stadium

Counseling and Advice

We are highly valued for our strategic, practical and market wise advice to senior lending executives in connection with credit issues, risk mitigation and complex facility structuring.

Development of CRE Lending Platforms, Processes and Documentation

Extensive experience in the design and development of both portfolio and CMBS lending programs and systematic processes and documentation for both lenders and law firms. That experience includes strategic alliances, syndications, licensing issues, servicing agreements, table funding arrangements, mortgage loan purchase agreements, warehouse and repo agreements, origination and participation agreements, whole loan portfolio purchase and sale agreements and pooling and servicing agreements.

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Document Automation

Miller Canfield is a national leader in the development and deployment of sophisticated transaction management and document automation software (currently supporting over 1,000 automated documents), as well as process design and knowledge management. In combination, we provide extraordinary value in terms of efficiencies and timeliness, consistent quality, assured best practices, and outstanding collaboration, response and reporting - all specifically developed to meet CRE lending volume and quality requirements.

Ground Lease Financing

- Represented administrative agent and lead bank in \$100 million syndicated financing for the acquisition and renovation of an office tower in Detroit secured by a long-term ground lease
- Represented administrative agent and lead bank in \$75 million syndicated loan to refinance and reposition a mixed use, multi-building project consisting of retail, restaurants, office and residential apartments in Phoenix secured by a long-term ground leases
- \$47 million renovation loan for office project in Broward County, Florida
- Michigan opinion counsel for \$4 billion multi-property, multi-state mortgage financing for Chrysler's emergence from bankruptcy

Private Bank CRE Lending

We are extensively involved with the private bank of one of the most significant national banks, successfully bringing specialized commercial real estate finance knowledge, expertise, counseling and leadership to these high net worth, critical and highly customer-oriented relationships.

Tax-Exempt/Credit/Incentive Financing

- Lead counsel for the Ilitch/Little Caesars organization structuring and closing a transaction with the City of Detroit and the State of Michigan for the development of a new sports and entertainment facility in Detroit that serves as the new home for the Detroit Red Wings as well as a venue for other events. The project also encompasses the development of a substantial area around the new arena, commonly referred to as District Detroit, to include office, retail, hotel and residential developments. The overall investment in the project exceeded \$850 million. Two series of bonds have been issued; one for \$250 million which is a tax-exempt revenue bond supported by property tax revenues and the second for \$200 million which is taxable, with private credit support.
- Lead counsel for the Detroit Tigers and the Ilitch organization in structuring and concluding with the City of Detroit and Wayne County for the land for Comerica Park and negotiation and closing of the project financing with Sumitomo Bank
- Represented the purchaser of privately placed tax-exempt bonds issued by the Illinois Finance Authority, the proceeds of which were used for renovation and construction projects at Chicago's Navy Pier, including the purchase of a new Ferris wheel and construction of a new theatre

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- Representation of private equity fund on an approximately \$5.5 million investment in the \$20 million redevelopment (public, private, and federal historic tax credits investments) of a historic Michigan theater
- Represented national bank in construction financing for renovation and rehabilitation of large retailer in downtown Lansing, Michigan, involving Federal New Markets and Historic Rehabilitation Tax Credits and State of Michigan Historic Rehabilitation and Brownfield Redevelopment Tax Credits
- Represented bank in letter of credit-backed City of Grand Rapids bond financing for conversion of federal building in downtown Grand Rapids into Kendall College of Art & Design at Ferris State University, involving Federal Historic Rehabilitation Tax Credits and State of Michigan Historic Rehabilitation and Brownfield Redevelopment Tax Credits
- Represented bank in construction financing for 38 Commerce building in downtown Grand Rapids, Michigan, involving State of Michigan Brownfield Redevelopment Tax Credits
- Represented bank in construction financing for conversion of downtown Grand Rapids, Michigan YMCA into The Fitzgerald condominiums, involving State of Michigan Historic Rehabilitation and Brownfield Redevelopment Tax Credits
- Represented bank in construction financing to renovate and rehabilitate historical Flatiron Building in downtown Grand Rapids, involving State of Michigan Historic Rehabilitation and Brownfield Redevelopment Tax Credits
- Represented bank in construction financing to renovate and rehabilitate Art Deco Junior Achievement building in downtown Grand Rapids, Michigan, involving State of Michigan Historic Rehabilitation and Brownfield Redevelopment Tax Credits, Brownfield Redevelopment Authority Tax Increment Financing, and City of Grand Rapids DDA Tax Increment Financing