

## Commercial Real Estate Lending—Due Diligence Revisited

January 2013

Since the financial crisis began in 2008, commercial real estate lending has slowed to a crawl. While CRE loans were not the cause of the financial crisis, over-concentrations of CRE loans and liberal underwriting standards for these loans contributed to the problems faced by many financial institutions. As the economy slowly recovers, lenders have seen an increase in applications for CRE loans. As lenders rebuild their CRE portfolios, it is crucial that lenders formulate a risk management plan that will help institutions avoid the problems of the past four years. The basis of any risk management plan for CRE lending is the due diligence that precedes the loan.



With this in mind, Aldrich Bonnefin & Moore is pleased to present a seminar on Commercial Real Estate Lending. The seminar will focus on a number of due diligence issues, including title review, appraisal review, identifying your borrowing entity, dealing with leases and loan pricing.

### Who should attend:

- Loan officers
- Loan workout specialists
- Documentation staff
- Chief financial officers
- Chief credit officers

## HIGHLIGHTS

### Evaluation of Real Estate Collateral

- Title review
- Understanding the appraisal report

### Identifying Your Borrowing Entity

- Legal requirements for formation
- Documents that should be required

### Leasing Issues

- Financing a leasehold
- Dealing with a leased fee

### Loan Pricing

- Interest rate swaps
- Regulatory issues affecting interest rate swaps

**Mark E. Aldrich, Esq.**, a principal of Aldrich Bonnefin & Moore PLC, is the head of the firm's Corporate Practice Group and its employment law practice. Mr. Aldrich has over 25 years of speaking experience and has been a panelist and lecturer for the Bankers' Compliance Group, California Bankers Association and other trade groups. Mr. Aldrich is former Chairman of the Financial Institutions Committee of the Business Law Section of the California State Bar.

**Eric G. Baron, Esq.**, a principal of Aldrich Bonnefin & Moore, PLC, has been serving Bankers' Compliance Group members for over 22 years. Mr. Baron specializes in employment law matters, as well as commercial and real estate lending, commercial loan workouts, letter of credit transactions, loan participations, loan syndications, environmental law, and bankruptcy issues. Prior to becoming an attorney, Mr. Baron worked as a commercial loan officer with a regional bank in Washington D.C.



Our *Commercial Real Estate Lending* will be held in the following locations from 8:30 a.m. - 3:00 p.m.  
You will need to note the specific location you are attending as hotels can vary from month to month.

LOCATIONS:	DATE:	HOTEL INFO:	PARKING:
SAN FRANCISCO	Thursday, January 3 Registration closes at noon on 12/26	Palace Hotel 2 New Montgomery St.	We validate for hotel valet-parking only.
SAN JOSE	Friday, January 4 Registration closes at noon on 12/27	Hilton 300 Almaden Blvd.	We validate for self-parking only.
GARDEN GROVE	Monday, January 7 Registration closes at noon on 12/31	Anaheim Marriott Suites 12015 Harbor Blvd.	Free self-parking is available.
SAN DIEGO	Wednesday, January 9 Registration closes at noon on 1/3	Marriott Mission Valley 8757 Rio San Diego Dr.	We validate for self-parking only.
SACRAMENTO	Monday, January 14 Registration closes at noon on 1/8	Sheraton Grand Sacramento Hotel 1230 J St.	Validated self-parking is available in garage on 13th Street, between I and J Streets. Valet-parking not validated.
SANTA BARBARA	Wednesday, January 16 Registration closes at noon on 1/10	Four Seasons Resort, The Biltmore 1260 Channel Dr.	Free self-parking is available.
WOODLAND HILLS	Thursday, January 17 Registration closes at noon on 1/11	Warner Center Marriott 21850 Oxnard St.	We validate for self-parking only.
ONTARIO	Wednesday, January 23 Registration closes at noon on 1/16	Ontario Doubletree (new location) 222 North Vineyard Ave.	Free self-parking is available.
LOS ANGELES	Thursday, January 24 Registration closes at noon on 1/18	LAX Airport Marriott 5855 West Century Blvd.	We validate for self-parking only.
MONROVIA	Friday, January 25 Registration closes at noon on 1/18	Courtyard Marriott 700 W. Huntington Drive	Free self-parking is available.

**REGISTRATION:** To register, go to <http://register.bankerscompliancegroup.com/subadmin>. We recommend you register as soon as possible as registrations are accepted on a first-come, first-serve basis only. If you haven't registered online with us before, contact Paige Tyler at 800-742-3600 or PTyler@ABMLawFirm.com for assistance or to obtain a username and password.

**REGISTRATION FEES FOR NON-MEMBERS:** Non-member registration fee is \$750 for the first person attending from an institution and \$450 for each additional person from the same institution. We must receive your registration fees prior to the seminar date. **Non-members may pay by check or credit card.** To pay by credit card, follow the credit card instructions during the online registration process. We accept MasterCard, Visa and Discover cards. To pay by check, make checks payable and mail to **Aldrich Bonnefin & Moore, PLC, P.O. Box 19686, Irvine, CA 92623-1029**, along with a copy of your registration. Non-member registration fees (less \$50) will be refunded only if cancellation notice is received 5 business days prior to the event.

**MATERIALS:** For this seminar, Standard Procedures Manual #19, "*Commercial Real Estate Lending*," will be updated. Only those attendees designated by their institution will receive a manual. All attendees will receive a Discussion Outline. Members Only may purchase additional copies of SPM #19 \$50.00/copy during January.

**FOOD:** A continental breakfast will be provided. You will be on your own for lunch.

**DISABILITIES:** If you require special accommodation in order to fully participate in the seminar, please call Paige Tyler at 800-742-3600 to discuss your specific needs.

**ACCREDITATION: MCLE:** Aldrich Bonnefin & Moore, PLC certifies that this activity conforms to the standards for approved education activities prescribed by the rules and regulations of the State Bar of California governing MCLE. This activity has been approved in the amount of **4.75** hours.

**CRCM:** Certified Regulatory Compliance Managers must submit a request for approval directly to the Institute of Certified Bankers in order to receive continuing education credit ([www.icbmembers.org](http://www.icbmembers.org) and click on "Submit Continuing Education Credits)." This activity *may* be eligible for **5.75** hours of continuing education credit by the ICB.

**CPE:** Aldrich Bonnefin & Moore, PLC follows Continuing Education regulations as outlined in the California Accountancy Act. CE may be obtained for Certified Public Accountants and Public Accountants. This activity is eligible for **4.75** hours of CPE Continuing Education credit.

For additional information, please contact Paige Tyler at (949) 553-0909 or toll free (BCG Members only) at (800) 742-3600.