

Commercial Real Estate Lending

June 2018

While commercial real estate (CRE) lending has been a sweet spot for lenders, the market for CRE is maturing. Rising interest rates and other economic developments may pose challenges ahead. In a recent Federal Reserve Board senior loan officer survey, many responders said they were likely to tighten standards on CRE loans in 2018. So now is a good time to review your CRE lending underwriting and documentation processes.

With these developments in mind, Aldrich & Bonnefin is pleased to present its Commercial Real Estate Lending seminar. We will start with a review of important legal and regulatory issues, including real estate lending standards, concentrations in CRE loans, high volatility CRE (HVCRE) capital rules and one-action, anti-deficiency and short-sale laws. We will also cover critical due diligence issues, including the recent increase in the CRE appraisal threshold to \$500,000, issues relating to insuring CRE properties, and typical loan documentation issues.



Mark E. Aldrich, Esq., a principal of Aldrich & Bonnefin, is the head of the firm's Corporate Practice Group including the firm's commercial lending practice. Mr. Aldrich has over 30 years of speaking experience and has been a panelist and lecturer for the Bankers' Compliance Group, California Bankers Association and other trade groups on commercial lending matters. Mr. Aldrich is currently a member of the California Bankers Association Legal Affairs Committee.



Joel N. Cook, Esq., a principal of Aldrich & Bonnefin, joined the firm in August 2011. As a member of the firm's Corporate Practice Group, Mr. Cook's practice focuses on commercial lending and corporate law as well as regulatory compliance. Mr. Cook obtained his law degree from Loyola Law School of Los Angeles. Prior to becoming an attorney, Mr. Cook worked as a banker for nine years in various roles with a large national bank and had extensive dealings with the Office of the Comptroller of the Currency.



Best Practices in a Maturing Market

Legal and Regulatory Limitations

- Real estate lending standards
- Concentrations in commercial real estate loans
- One action, anti-deficiency laws and short sales

Due Diligence for CRE Loans

- Evaluation of real estate
- Title review
- Junior lienholder issues
- Appraisal developments

Insuring Commercial Real Estate

- Hazard & liability insurance
- Business interruption insurance
- Flood insurance

Documentation Issues for CRE loans

- Lease review
- Assignment of leases and rents
- Subordination, non-disturbance and attornment agreements
- Common documentation deficiencies – and how to fix them

WHO SHOULD ATTEND?

Please invite your loan officers, loan workout specialists, documentation staff, chief financial officers and chief credit officers.

Our *Commercial Real Estate Lending Seminar* will be held at the following locations.

Note: Hotel locations can vary from month to month.

LOCATIONS	DATE AND TIME	HOTEL INFO	PARKING INFO
SAN JOSE	Friday, June 1, 8:30 a.m. – 3:00 p.m. Registration closes at noon on Tues. 5/29	San Jose Marriott 301 South Market Street, (408) 280-1300	We validate for hotel valet-parking only.
SANTA BARBARA	Tuesday, June 5, 8:30 a.m. – 3:00 p.m. Registration closes at noon on Wed. 5/30	Four Seasons Resort, The Biltmore 1260 Channel Dr., (805) 969-2261	Free self-parking is available.
WOODLAND HILLS/UNIVERSAL CITY	Wednesday, June 6, 8:30 a.m. – 3:00 p.m. Registration closes at noon on Thurs. 5/31	Sheraton Universal City (LOCATION CHANGE) 333 Universal Hollywood Dr., (818) 980-1212	We validate for self-parking only.
GARDEN GROVE	Friday, June 8, 8:30 a.m. – 3:00 p.m. Registration closes at noon on Monday 6/4	Anaheim Marriott Suites 12015 Harbor Blvd., (714) 750-1000	Free self-parking is available.
SACRAMENTO	Tuesday, June 12, 8:30 a.m. – 3:00 p.m. Registration closes at noon on Wed. 6/6	Sheraton Grand Sacramento Hotel 1230 J St., (916) 447-1700	Validated self-parking is available in public parking garage directly across from hotel, on corner of 13th and J Streets. Valet-parking not validated.
LOS ANGELES	Wed., June 13, 8:30 a.m. – 3:00 p.m. Registration closes at noon on Thurs. 6/7	LAX Airport Marriott 5855 West Century Blvd., (310) 641-5700	We validate for self-parking only.
SAN DIEGO	Friday, June 15, 8:30 a.m. – 3:00 p.m. Registration closes at noon on Monday 6/11	Marriott Mission Valley 8757 Rio San Diego Dr., (619) 692-3800	We validate for self-parking only.
MONROVIA	Tuesday, June 19, 8:30 a.m. – 3:00 p.m. Registration closes at noon on Wed. 6/13	Courtyard Marriott 700 W. Huntington Drive, (626) 357-5211	Free self-parking is available.
SAN FRANCISCO	Friday, June 22, 8:30 a.m. – 3:00 p.m. Registration closes at noon on Monday 6/18	San Francisco Hilton Union Square (NEW LOCATION) 333 O'Farrell Street (415) 771-1400	Validated self-parking is available in garage on Ellis Street, between Mason and Ellis. Valet-parking not validated.
ONTARIO	Tuesday, June 26, 8:30 a.m. – 3:00 p.m. Registration closes at noon on Wed. 6/20	Ontario Doubletree 222 North Vineyard Ave., (909) 937-0900	Free self-parking is available.

REGISTRATION

To register for this Seminar, please contact your institution's Main Contact, or if you are authorized, log in at <https://register.bankerscompliancegroup.com/subadmin> and select "Register for Events." We recommend that you register as soon as possible as registrations are accepted on a first-come, first-serve basis. If you haven't registered online with us before, contact Paige Tyler at 800-742-3600 or info@bankerscompliancegroup.com for assistance.

NON-MEMBERS: The non-member registration fee is **\$750** for the first person attending from an institution and **\$450** for each additional person from the same institution. To attend this Seminar, pre-registration and confirmation is mandatory. **Non-members may pay by credit card or check.** To pay by credit card, follow the credit card instructions during the online registration process. Major credit cards are accepted. To pay by check, make checks payable and mail to **Aldrich & Bonnefin, PLC, P.O. Box 19686, Irvine, CA 92623-1029** and indicate the event you are registering for. Non-member registration fees (**less \$50**) will be refunded only if cancellation notice is received **5** business days prior to the Seminar date.

MATERIALS

For this Seminar, Standard Procedures Manual #19, "Commercial Real Estate Lending," will be updated. Each member institution will receive via email a link to a downloadable PDF of the Standard Procedures "E-Manual." Non-member attendees will receive one hard copy manual, which will be mailed to the attendee by the end of the Seminar month. All registered attendees will receive a Discussion Outline the day of the Seminar. Members Only may purchase additional hard copies of SPM #19 during June for \$35.00 per copy plus shipping charges and applicable sales tax.

ACCREDITATION

MCLE: Aldrich & Bonnefin, 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: The American Bankers Association has notified us that this seminar is not eligible for any CRCM continuing education credits. It is up to you whether you want to submit a request for approval directly to the ABA in an attempt to receive continuing education credit.

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