

MVP: Cadwalader's Bonnie Neuman

By Joyce Hanson

Law360 (September 30, 2022, 2:02 PM EDT) -- Bonnie Neuman of Cadwalader Wickersham & Taft LLP represented the lenders in a \$1.5 billion acquisition financing for CorePoint Lodging as well as the lenders in a \$1.2 billion acquisition financing of 111 Woodspring Suites properties, earning her a spot among Law360's 2022 Hospitality MVPs.

HER BIGGEST ACCOMPLISHMENT THIS YEAR:

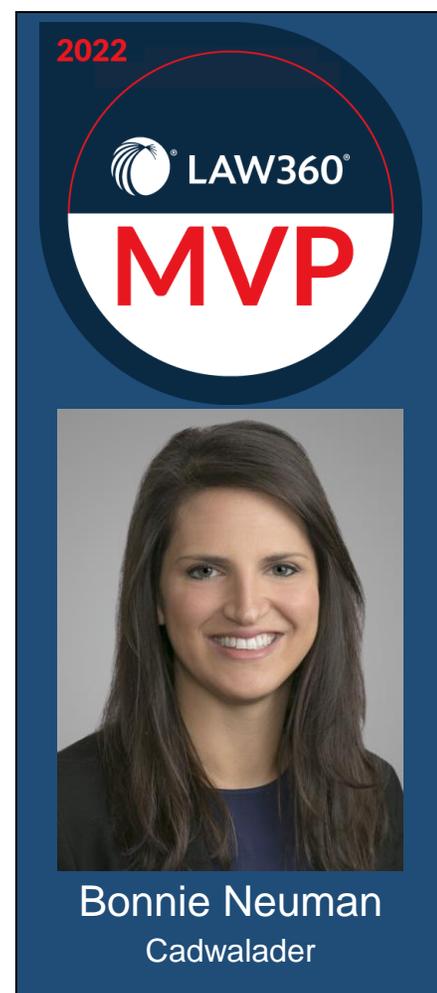
Neuman, who is co-chair of Cadwalader's finance group and head of its real estate finance practice, said her biggest accomplishment in the past year has been navigating changing market tides that started with a flood of deals at the end of 2021 followed by "a challenging and changing landscape" at the beginning of 2022.

"While we continue to be very busy and have closed many financings of large hospitality portfolios, it has been interesting to deal with different outside factors in the market, whether it's rising interest rates, the changing geopolitical environment, inflation or announcements in the media that require a change in the deal structure," Neuman said.

In one deal that closed in March, Neuman led a Cadwalader team in representing Deutsche Bank Securities Inc. and Bank of Montreal as lenders in an approximately \$1 billion mortgage loan secured by a portfolio of 110 hotel properties and certain land and other assets.

The transaction was connected with an approximately \$1.5 billion acquisition of CorePoint Lodging Inc., a real estate investment trust that mainly owns La Quinta-branded hotels. The public-to-private acquisition of Corepoint was done through a joint venture between investor Cerberus Capital Management LP and affiliates of Highgate, a real estate investment and hospitality management company.

In a second major deal for a Neuman-led Cadwalader team — which Law360 reported as being the largest hospitality M&A deal in the first quarter of 2022 — the attorneys represented the lenders in the \$1.2 billion acquisition financing of 111 WoodSpring Suites hotel properties around the country by a



joint venture between Blackstone Inc. and Starwood Capital Group Management LLC that paid \$1.5 billion for the properties.

"This purchase was particularly interesting in terms of its timing," Neuman said. "We closed this transaction in February 2022, right at the height of geopolitical unrest in the markets. Navigating through that, and being able to effectuate an acquisition transaction of this size required a lot of flexibility and patience. This was at the time the largest deal in the first quarter of 2022 in hospitality M&A, which showed that the market was continuing to perform post-pandemic and able to withstand those market factors that were going on around it."

HOW THE PANDEMIC AFFECTED HER LEGAL PRACTICE:

The COVID-19 pandemic has made an impact on Neuman's legal practice, particularly in the hospitality space, she said, noting that she works on large real estate financings as well as big hospitality deals.

"On the hospitality front, that may have been the first part of my practice that was hit in the pandemic, starting as early as the spring of 2020, when we saw occupancy rates plummet quickly," Neuman said. "Hospitality deals took on more of a restructuring look than they did previously, when you went from record occupancy to nearly no occupancy very quickly."

Coming into 2021, and in some cases 2022, having little historical data regarding cash flow in the finance markets was a challenge, according to Neuman. The parties in hotel deals had to figure out how to finance cash flow when they had almost no history in terms of the past 12 months of financial data, she noted.

And yet, Neuman said, plenty of deals were closed during that period.

"We saw a real influx of money into the hospitality industry and into the acquisition market, in particular in the extended-stay category," she said. "I worked on a number of different hotel portfolio acquisitions throughout the course of the past year. Some of that was pent-up demand from the height of the pandemic."

HER PROUDEST MOMENT THIS YEAR:

Neuman said she is proud of where she is in her career both in her own practice and as the leader of the real estate finance practice and as the co-head of the finance group. And, she noted, she is particularly proud of having taken on a management role within the firm's management committee this year.

"Being named to the firm's management committee at this stage in my career was a really large accomplishment for me," she said. "I enjoy that type of investment of my time. I like being able to work on the direction of the firm going forward."

Cadwalader was among Law360's 2021 Hospitality Groups of the Year.

WHY SHE'S A HOSPITALITY ATTORNEY:

As a young lawyer, Neuman said she was initially drawn to transactional practice areas of the law. She said she appreciates the collaborative nature of the work, where both sides are working toward the common goal of getting deals done.

Hospitality deals appealed to her when she was starting out and still do, Neuman said.

"What's most exciting to me about real estate, and hospitality in particular, is that it's a tangible asset class where you can see and get to know the properties you're financing," she said. "I like to travel and find that it's fun to see buildings that I've worked on, to go on a family trip and recognize the properties I've closed deals on."

HER ADVICE FOR JUNIOR ATTORNEYS:

Neuman encourages junior attorneys to step outside their comfort zone by taking on new challenges. She said she advanced as a young lawyer in ways she never would have expected by grabbing opportunities offered to her by mentors who let her go beyond what she had envisioned for herself when starting out.

When she was new to the team at Cadwalader, Neuman recalled, she worked on a hotel deal as a first-year and second-year associate that involved a large portfolio transaction, an experience that shaped her.

"I stepped into a role to understand a complicated organizational structure and quickly became the person whose job it was to be in charge of what seemed like a simple thing — of understanding the org chart — but ended up being the person whose job it was to unpack all of the collateral for a very complicated transaction," Neuman said.

As it turned out, she said, that job made her stand out among the team because everyone needed that essential piece of understanding.

"I didn't feel like I knew what I was doing at the time, but sitting down in my office with this 40-page-long organizational chart all over the floor and piecing each page together and getting an understanding for it really made me an indispensable member of the team and a go-to person for the team going forward," Neuman said. "I was on client calls at every meeting because I had this vital piece of information for the group."

— *As told to Joyce Hanson.*

Law360's MVPs of the Year are attorneys who have distinguished themselves from their peers over the past year through high-stakes litigation, record-breaking deals, and complex global matters. A team of Law360 editors selected the 2022 MVP winners after reviewing more than 900 submissions.