

## RANKINGS

### Cadwalader Keeps Top Spot as Law Firms Get Busier

**Cadwalader Wickersham** was by far the top law firm hired to work on commercial MBS offerings again last year, while **Sidley Austin** held on tenaciously to second place in a growing market.

**Orrick Herrington** jumped into third place among firms advising issuers, according to **Commercial Mortgage Alert's** CMBS Database. **Dechert** more than doubled its underwriter-counsel assignments to reach No. 3 in that ranking. **Kaye Scholer**, which finished third on both lists in 2013, saw its business fall off after losing a CMBS team to Orrick.

As U.S. CMBS volume increased to another post-crash high of \$93.9 billion, Cadwalader and Sidley captured roughly the same percentages of assignments in each category as the previous year — together accounting for more than three-quarters of the work. A dozen other firms split the remaining assignments.

Cadwalader snared the more-lucrative role as issuer counsel on 86 offerings, or 66.2% of the 2014 deal count. Sidley won the issuer mandates on 22 offerings, or 16.9%. It was followed by Orrick with nine deals, Dechert with three and **Winston & Strawn** with two.

As underwriter counsel, Cadwalader worked on 62 offerings, for a 47.7% market share. Sidley handled the assignment on 35 deals, or 26.9%. Dechert worked on 13 deals, followed by Orrick with nine and **Mayer Brown** with seven.

**Freddie Mac** continued to rely on Cadwalader exclusively, tapping the firm to fill both roles on all 15 of its "K" series of multi-family securitizations last year. If not for those transactions, Cadwalader would have had only a 12-deal lead over Sidley in the contest for underwriter-counsel assignments, but still would have finished 49 deals ahead on the issuer-counsel side.

In choosing counsel, issuers and underwriters of private-label CMBS favor longstanding relationships with particular firms and individual attorneys who are familiar with their operations. They also consider a firm's capacity to handle additional work on a timely basis, especially when the market gets busy.

Those factors give a decided advantage to Cadwalader, which has been the industry's perennial leader and has the



deepest bench by far. There are now 63 CMBS attorneys in Cadwalader's global capital-markets group, led by partners **Michael Gambro** and **Stuart Goldstein**. That's up from 56 a year ago, and plans call for adding more in the coming months.

As for Sidley, it has shifted from hiring only junior associates over the last few years to also bringing in more-seasoned CMBS attorneys — including two recruits due to start in the next two months, said partner **Kevin Blauch**. He runs the firm's 21-member CMBS group, up from 19 at the start of last year.

Attorney-client relationships also help explain the re-emergence of Orrick, which hadn't been hired to work on any new

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deals since 2010. Some clients followed CMBS veterans **William “Butch” Cullen** and **Janet Barbieri** to Orrick after they moved over from Kaye last February. For example, Orrick supplanted Kaye as the preferred underwriter counsel for conduit offerings led by **Morgan Stanley** and **Bank of America**.

Looking ahead, legal pros expect to spend a lot of time this year helping clients understand and comply with a bevy of major regulatory changes, most of which were only finalized in the last six months or so, after years of debate. “This was a year [2014] in which the industry finally gained clarity on many regulatory issues and we can now begin to implement them,” Blauch said.

For example, Cadwalader is advising all three CMBS issuers involved in an **SEC** pilot program that aims to provide the industry with a blueprint for complying with new shelf-registration requirements that take effect Nov. 24. The more-detailed filings were mandated for public deals under a recent overhaul of “Regulation AB,” the SEC’s disclosure rules for securitizations.

“It’s not going to be easy to do that first deal under the new registration requirements,” Gambro said, “[but] this is an important crossroads for the industry and it’s an opportunity to harmonize the disclosures.”

Goldstein said CMBS issuers will also rely heavily on legal counsel as they cope with various measures stemming from the Dodd-Frank

Act. Chief among them are new risk-retention rules for securitizations that take effect for CMBS at the end of next year. And there’s a midyear deadline for transactions to include public disclosure of due-diligence reports that issuers, underwriters and rating agencies rely on outside parties to produce. ❖

#### Ranking of Law Firms for US CMBS in 2014

Issuer Counsel	2014 No. of Deals	2014 Issuance (\$Mil.)	2013 No. of Deals	2013 Issuance (\$Mil.)
1 Cadwalader Wickersham	86	\$59,232.4	79	\$59,073.4
2 Sidley Austin	22	23,001.7	17	17,521.3
3 Orrick Herrington	9	8,134.1	0	0.0
4 Dechert	3	679.3	5	1,129.2
5 Winston & Strawn	2	415.4	0	0.0
6 Blank Rome	1	475.0	0	0.0
6 Hawkins Delafield	1	346.1	0	0.0
6 Debevoise & Plimpton	1	341.3	1	201.5
6 Mayer Brown	1	289.8	1	185.5
6 Kutak Rock	1	277.5	3	678.5
6 Weil Gotshal	1	188.6	2	343.3
6 Morgan Lewis (Bingham)	1	181.9	0	0.0
OTHERS	1	284.1	11	6,789.0
<b>TOTAL</b>	<b>130</b>	<b>93,847.3</b>	<b>119</b>	<b>85,921.6</b>

Underwriter Counsel	2014 No. of Deals	2014 Issuance (\$Mil.)	2013 No. of Deals	2013 Issuance (\$Mil.)
1 Cadwalader Wickersham	62	\$34,603.1	54	\$27,863.3
2 Sidley Austin	35	33,701.6	33	35,206.5
3 Dechert	13	6,672.2	6	3,151.5
4 Orrick Herrington	9	9,898.8	0	0.0
5 Mayer Brown	7	5,626.9	8	6,981.0
6 Kaye Scholer	2	2,592.3	10	10,160.8
6 Dentons	2	752.5	3	678.5
OTHERS	0	0.0	5	1,880.1
<b>TOTAL</b>	<b>130</b>	<b>93,847.3</b>	<b>119</b>	<b>85,921.6</b>