

## RANKINGS

### Cadwalader Remains Top CMBS Legal Advisor; Sidley Surges

**Cadwalader Wickersham** worked on more commercial MBS offerings than any other law firm again last year, fending off a serious challenge from **Sidley Austin** for underwriter-counsel assignments on private-label issues.

As CMBS volume soared to a post-crash high of \$85.9 billion last year, Cadwalader advised issuers on 79 deals totaling \$59.1 billion. The perennial market leader also was retained as underwriter counsel on 54 transactions adding up to \$27.9 billion, according to **Commercial Mortgage Alert's** CMBS database. But the firm's share of underwriter-counsel assignments dropped as its number of deals held steady while the overall business grew.

Sidley ranked second again in both categories. In the more lucrative issuer-counsel business, it gained a little ground — winning mandates on 17 offerings totaling \$17.5 billion — but remained far behind Cadwalader. It significantly closed the gap in the underwriter-counsel ranking, however, taking that assignment on 33 deals amounting to \$35.2 billion. A year earlier Sidley had nine assignments each for issuer and underwriter council.

**Kaye Scholer** ranked third in both categories. It represented issuers on eight new deals and underwriters on 10. Several other firms split up the rest of the work.

Of the two roles, that of issuer counsel brings a law firm more fees, as it advises on loan and deal structures and processes most of the offering documents.

Cadwalader's totals were boosted by **Fannie Mae's** 18 CMBS issues, totaling \$4.3 billion of unguaranteed bonds. The agency only hires Cadwalader as both issuer and underwriter counsel on its "K" series of multi-family securitizations. Without those, Cadwalader would rank only three issues ahead of Sidley as underwriter counsel, although it would still have a comfortable 44-deal lead as issuer counsel.

Although issuers and underwriters generally prefer to work with familiar, seasoned attorneys, the rapid expansion of new issuance has encouraged CMBS shops to spread the legal work

around, sometimes hiring different firms as issuer and underwriter counsel on the same deal.

"With more banks partnering in these deals, they sometimes get more comfort in having underwriter counsel that is separate from issuer counsel," said **Michael Gambro**, a partner at Cadwalader.

Gambro and **Stuart Goldstein** run Cadwalader's global capital-markets group, encompassing 107 attorneys. That includes 56 dedicated to CMBS, up from 44 six months ago. Many of its lawyers have relationships with clients going back long before the crash. The firm also handles a lot of client work related to warehousing loans and structuring debt. That background helps it win mandates both on mainstream CMBS and on more-complicated transactions, such as commercial real estate CLOs and distressed-asset securitizations. "For CLOs and non-performing loan deals, it's even more important that you have a lot of exposure to the clients and understand their businesses," Goldstein said.

At Sidley, the CMBS group has grown to 19 attorneys, up from 12 six months ago. Partner **Kevin Blauch**, who runs the group, said it's been hiring mostly young lawyers who will hopefully forge their own long-term relationships in the industry and ultimately generate more business. "We have done a lot of associate hiring and can now handle many more deals than in the past," Blauch said. "As we continue to train these associates we anticipate that volume will grow even more."

One of the high points for Sidley last year was serving as both issuer and underwriter counsel on the first-ever "REO-to-rental" securitization, a \$479.1 million issue backed by mortgages on 3,207 single-family homes that **Blackstone** bought out of foreclosure and converted into rentals. Sidley partner **Giselle Barth** led the firm's work on that transaction, which wasn't counted as a CMBS deal by Commercial Mortgage Alert. The firm expects to play a major role as issuance of such deals soars over the next two years, Blauch said. ❖

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### Top Issuer Counsel for US CMBS

	2013 No. of Deals	Issuance (\$Mil.)	2012 No. of Deals	Issuance (\$Mil.)
1 Cadwalader Wickersham	79	\$59,073.4	55	\$34,703.8
2 Sidley Austin	17	17,521.3	9	10,401.1
3 Kaye Scholer	8	5,286.9	1	1,040.2
4 Dechert	5	1,129.2	3	473.1
5 Kutak Rock	3	678.5	1	229.5
6 Weil Gotshal	2	343.3	0	0.0
7 DLA Piper	1	874.9	0	0.0
7 Debevoise & Plimpton	1	201.5	0	0.0
7 Mayer Brown	1	185.5	0	0.0
OTHERS	2	627.2	5	1,338.4
<b>TOTAL</b>	<b>119</b>	<b>85,921.6</b>	<b>74</b>	<b>48,186.0</b>

### Top Underwriter Counsel for US CMBS

	2013 No. of Deals	Issuance (\$Mil.)	2012 No. of Deals	Issuance (\$Mil.)
1 Cadwalader Wickersham	54	\$27,863.3	54	\$29,293.8
2 Sidley Austin	33	35,206.5	9	10,841.1
3 Kaye Scholer	10	10,160.8	3	2,604.4
4 Mayer Brown	8	6,981.0	2	2,429.1
5 Dechert	6	3,151.5	2	925.0
6 Dentons	3	678.5	2	484.5
7 Cleary Gottlieb	2	1,067.5	2	1,608.0
8 Perkins Coie	1	185.5	0	0.0
OTHERS	2	627.2	0	0.0
<b>TOTAL</b>	<b>119</b>	<b>85,921.6</b>	<b>74</b>	<b>48,186.0</b>