

RANKINGS

Cadwalader Continues to Dominate Law-Firm Ranking

Cadwalader Wickersham remained the clear favorite among law firms advising issuers and underwriters on commercial MBS offerings during the first half, while **Sidley Austin** again held second place and both **Orrick Herrington** and **Dechert** made gains.

As CMBS issuance dipped to \$40.4 billion during the first half, from \$43.7 billion a year earlier, Cadwalader advised issuers on 33 deals totaling \$24.2 billion. The longtime market leader also was retained as underwriter counsel on 26 transactions adding up to \$16 billion, according to **Commercial Mortgage Alert's** CMBS Database.

At least eight law firms were hired to work in one or both capacities on 54 deals as of June 30. In the more-lucrative position of issuer counsel, Cadwalader handled 10 fewer deals than in 2013's first half, while its number of underwriter-counsel assignments held steady. As usual, **Freddie Mac** tapped Cadwalader for both of those roles on all seven of its first-half securitizations of multi-family mortgages.

Sidley worked on 11 offerings as issuer counsel, up from eight in the year-earlier period, but its tally dropped to 11 from 18 on the underwriter-counsel side.

Orrick, which received no assignments in all of 2013, placed third in the issuer-counsel ranking by handling five first-half deals, and was tapped as underwriter counsel on three transactions.

Meanwhile, Dechert moved up to third place among underwriter counsels with seven assignments, compared with two in 2013's first half. The firm was hired by issuers to work on two deals, the same as a year ago.

Orrick's re-emergence followed its hiring of veteran CMBS attorneys **William "Butch" Cullen** and **Janet Barbieri**, who came over as partners from **Kaye Scholer** in February. Cullen ran Kaye's CMBS practice. He and Barbieri previously worked together at **Thacher Proffitt** and Sidley as well.

Kaye ranked third in both league tables a year ago, but didn't win any issuer-counsel mandates in this year's first half. It also fell to sixth place among underwriter counsels by working on just two first-half deals, down from seven a year ago.



Despite the moderate slowdown in CMBS volume this year, both Cadwalader and Sidley plan to keep adding staff in that area.

"The pace of issuance activity is still robust and we anticipate that will continue, certainly as long as the government keeps rates where they are and there are no major events to disrupt the markets," said **Michael Gambro**, a partner at Cadwalader. He also noted the huge wave of CMBS loans due to mature over the next three years, many of which are likely to be refinanced

Continued on Next Page

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Continued From Previous Page
via securitization lenders.

Cadwalader’s global capital-markets group, led by Gambro and partner **Stuart Goldstein**, includes 61 CMBS attorneys, up from 56 about six months ago. Plans call for adding up to 13 more over the next few months — seven first-year associates and six experienced lawyers. Cadwalader also may hire a seasoned attorney in London to focus on commercial mortgage originations in Europe. “We’re looking to see if green shoots develop over there,” Gambro added.

Sidley, meanwhile, believes the ongoing expansion of its CMBS team has helped it gain business over the last few years. “We’ve made certain hires that may have prompted some clients to use us more,” said partner **Kevin Blauch**, who runs the group. More generally, he said, “we’ve continued to staff up at all associate levels, and clients appreciate the added capacity.” There are now 21 attorneys in Sidley’s CMBS unit, up from 19 at the start of this year.

Heading into the second half, Cadwalader expects to see more legal work stemming from a long-anticipated jump in issuance of commercial real estate CLOs. “Like any other asset class, it starts with a trickle of deals,” but it’s picking up steam now, Goldstein said.

The CLO structure can offer a more cost-effective, practical and flexible alternative for certain clients, including regular issuers of traditional CMBS, he said. For example, they may want to securi-

tize certain assets but can’t — or would rather not — comply with Remic rules, true-sale requirements and other aspects of a typical CMBS transaction, he added.

CLOs aren’t counted in Commercial Mortgage Alert’s CMBS law-firm ranking. Neither are single-family rental securitizations — Sidley served as issuer counsel on all five that have priced since the first such offering was floated last year. It also served as underwriter counsel on two of them, while **Dentons** picked up that role on the other three. ❖

Ranking of Law Firms for US CMBS in First Half

Issuer Counsel		1H-14 No. of Deals	Issuance (\$Mil.)	1H-13 No. of Deals	Issuance (\$Mil.)
1	Cadwalader Wickersham	33	\$24,202.2	43	\$31,674.9
2	Sidley Austin	11	10,585.8	8	8,186.9
3	Orrick Herrington	5	4,107.0	0	0.0
4	Dechert	2	531.9	2	322.2
5	Debevoise & Plimpton	1	341.3	0	0.0
5	Winston & Strawn	1	196.1	0	0.0
	OTHERS	1	440.0	6	3,554.6
	TOTAL	54	40,404.3	59	43,738.6

Underwriter Counsel		1H-14 No. of Deals	Issuance (\$Mil.)	1H-13 No. of Deals	Issuance (\$Mil.)
1	Cadwalader Wickersham	26	\$16,037.6	26	\$14,388.3
2	Sidley Austin	11	11,254.0	18	17,244.8
3	Dechert	7	3,401.3	2	1,700.0
4	Mayer Brown	4	3,370.9	3	2,512.8
5	Orrick Herrington	3	3,308.2	0	0.0
6	Kaye Scholer	2	2,592.3	7	6,555.2
	OTHERS	1	440.0	3	1,337.5
	TOTAL	54	40,404.3	59	43,738.6