



Over the last few years, lenders and borrowers have learned from bitter experience that comprehensive, carefully-drafted, and understandable loan documents — as well as adherence to all applicable laws and regulations — are essential components of any financial transaction. The documents must accurately reflect the "meeting of the minds" of the parties to the transaction, anticipate the many challenges the parties may face during the term of the financial relationship, and provide workable solutions to those challenges. Ever-increasing and complex sets of laws and regulations regarding loans, lenders, and financial transactions of all sorts must be considered and managed. Since problems may still arise in a financial relationship despite the best intentions of both parties, experienced legal assistance is often needed to implement the remedies afforded by the loan documents.

At Ward and Smith, P.A., our Financial Transactions and Regulation Practice Group embraces the Firm's team approach to client issues. It draws upon the many and varied experiences of our attorneys to craft financial transaction documents that address the real world challenges the parties may confront. Attorneys in all areas of practice within the Firm share information on an ongoing basis so that all of our clients benefit from their collective knowledge and experience.

This "no borders" approach is important from another perspective, as well. Our attorneys have extensive experience in representing both lenders and borrowers — as a result, the attorneys in our Financial Transactions and Regulation Practice Group understand loan transactions from the lender's perspective and from the borrower's perspective. They know the issues and "hot buttons" important to each and are able to craft practical but balanced solutions to meet the pressing needs of our clients while accommodating the legitimate concerns of the other parties to the transaction.

For example, our Financial Transactions and Regulation Practice Group attorneys are in day-to-day contact with the attorneys in our Financial Institutions Practice Group who know and understand the regulation and operation of financial institutions, as well as with the attorneys in our Agribusiness, Business, Community Associations, Dealer/Distributor and Franchising, Health Care, Intellectual Property, International, Nonprofit Organizations, Real Estate, Real Estate Development, Securities, and Trusts and Estates Practice Groups who are intimately familiar with our clients' businesses and knowledgeable about the nature of the various forms of collateral that can be used to secure their obligations. Similarly, the attorneys in our Litigation and Creditors' Rights Practice Groups, who are on the front line in handling disputes arising from financial transactions, regularly update our Financial Transactions and Regulation Practice Group about new issues that should be addressed in our ever-evolving body of loan documentation. The wealth of experience and knowledge our attorneys possess allows us to give our financial transaction clients seamless, cost-effective, and comprehensive representation and support.

Experience Highlights

Below are representative examples of the parties and types of financing transactions in which we have extensive experience;

Lenders

- National and state-chartered banks, savings and loan associations, and savings banks
- Community and regional financial institutions as well as those with a national presence
- Federal, state, and local government agencies (USDA, SBA, etc.)
- Venture capital and other private equity lenders
- Angel investors
- Sellers providing financing in leveraged buyouts

Borrowers

- Real estate developers
- Real estate investors
- Agribusinesses
- Software and hardware developers
- Bio-medical companies
- Public and private utility companies
- Non-profit entities
- Owners and condominium associations
- Hospitals
- Private medical and other professional practices
- Assisted-living facilities
- Municipal corporations, counties, and public agencies
- Radio and television stations
- Restaurants
- Hotels
- Churches
- Volunteer fire departments
- Energy providers

Loan Types

- Permanent loans and refinancing loans
- Loans for working capital
- Real estate development loans of all types
- Construction loans of all types
- Seller financing
- Agricultural (agribusiness) loans
- Government sponsored financing (USDA, SBA, etc.)
- Mezzanine financing
- Bridge loans
- Leveraged buyouts
- Asset-based lines of credit

Collateral Pledged

- Real estate
- Equipment and vehicles (titled and untitled)
- Inventory, contract rights, furniture, and fixtures
- Intellectual property
- Accounts receivable (including import and export accounts receivable)
- Professional practice assets (medical, dental, veterinary, etc.)

- Trust assets
- Leasehold interests in real estate
- Life insurance policies and annuities
- Stock, limited liability company membership interests, and partnership interests
- Growing crops, stored crops, agricultural equipment, and federal program payments
- Livestock
- Investment security/brokerage accounts (stocks, bonds, and mutual funds)
- Savings accounts and certificates of deposit
- Airplanes
- Vessels and ship mortgages
- Franchisee rights

Financing Related Matters

- Intercreditor agreements
- Loan participation agreements
- Loan sale and assignment agreements
- Loan assumption agreements
- Note and loan modification agreements
- Equity participation agreements
- Payment and performance bond agreements
- Guaranty agreements
- Indemnification agreements
- Sale and leaseback transactions
- Equipment leasing
- Lease financing ("dollar cap" leases)
- Loan workouts

Regulatory Issues

- Real Estate Settlement Procedures Act ("RESPA") and Regulation X
- Truth-In-Lending Act and Regulation Z
- Equal Credit Opportunity Act and Regulation B
- Fair Credit Reporting Act
- Federal and North Carolina Secure and Fair Enforcement Mortgage Lending Acts