

Highlights From IMN's Bank Special Assets Forum

February 26, 2019



On February 11-12, Lance Martin attended the Information Management Network's Ninth Annual Bank Special Assets & Credit Officer's Forum in Miami, Florida.

The conference brought together bank executives in special assets, SBA lending, credit, loan review, and risk management, as well as lawyers and accountants,

turnaround advisory firms, debt buyers, receivers, and auction companies. The attendees met to discuss the latest credit and workout issues facing financial institutions and private lenders. The conference included these panels:

- A commercial real estate expert from the Federal Reserve Bank of Atlanta joined executives from U.S. Bank and Citi Community Capital to discuss macroeconomic factors and predictors for 2019.
- Executives from Conway Mackenzie, Janus Hotels, and Crestmoor Capital Partners discussed the situations when banks should retain a turnaround expert to assist with a workout.
- Executives from debt buyer firms reported on the state of the seller-friendly debt-buying market, where they expected the market to trend in 2019 and beyond, and the types of assets currently being bought and sold.
- Executives from Wells Fargo and Cooperative Business Services considered the critical role of relationship managers and credit officers in handling troubled loans, and the training necessary to rehabilitate loans in-house.
- Lawyers and receivers analyzed the options and obstacles for lenders to realize ongoing concern value for operating borrowers, including when to have an auction, live versus online auctions, and when to hire a receiver.
- A group of auction company executives looked at the auction process and offered suggestions on how to maximize liquidation value through the right auctioneer and right auction process.
- Lawyer and bank special assets executives discussed litigation costs, damages, time, and alternative solutions to mitigate risk and reduce legal spend.
- Bank CEOs discussed the local impact of SBA loans in community and regional banks, and the pitfalls and challenges of SBA-backed lending.
- CEOs from advisory firms prognosticated about the next recession -- which all predicted would start by the end of 2019 -- the asset and debt classes currently overvalued and undervalued, and the potential winners and losers in the next recession.

If you would like more information about the conference or creditor rights issues, please contact **Lance Martin** or any other member of our **Creditors' Rights** team.