

# Counsel<sup>to</sup>Counsel



**Top of the List:**

**LaSalle Bank N.A. and  
Duane Morris LLP**

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**Martindale-Hubbell**  
121 Chanlon Road  
New Providence, NJ 07974  
counseltocounselmag@martindale.com  
800-526-4902, ext. 2156

**InsideCounsel**  
222 S. Riverside Plaza, Suite 620  
Chicago, IL 60606  
calfred@insidecounsel.com  
312-651-0345

**Duane Morris LLP**  
227 West Monroe Street, Suite 3400  
Chicago, IL 60606-5098  
312-499-6700

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# Top of the List

## *LaSalle Bank N.A. and Duane Morris LLP*

By Scott M. Gawlicki

**T**he partnership between a bank and its law firms is, by necessity, particularly close-knit.

At Chicago-based LaSalle Bank N.A., division heads and their loan officers are free to send their legal business to any firm or attorney on the legal department's list of approved law firms. If the firm's performance is exemplary—both in the quality and responsiveness of its work and its ability to bring new business the loan officer's way—there is a greater likelihood for repeat business.

That, in a nutshell, is why LaSalle's two most active divisions, Senior Housing and Health Care, continue to place Duane Morris LLP at the top of their lists.

"Duane Morris is my go-to law firm," says LaSalle Senior Vice President Peter J. Kane, who heads an internal team of lenders that cater to the health care industry's senior housing sector. "Sometimes attorneys don't fully understand the business side of a deal, but the attorneys at Duane Morris do. That helps us build successful relationships with our clients."

"We work with a variety of firms, but we've engaged Duane Morris on a number of extremely complex transactions," adds Ann O'Shaughnessy, senior vice president and Health Care Division manager at LaSalle. "Why reinvent the wheel when you're happy with the work that's being done? They do what they say they're going to do, they do it effectively and they do it right the first time."

### A Relationship-Based Approach

With some \$71 billion in assets and \$44 billion in deposits, LaSalle Bank N.A. is the largest bank headquartered in Chicago and among the largest commercial lenders in the United States. Much of the bank's success is attributable to its relationship-based approach to lending, a strategy that builds strong partnerships by helping borrowers meet their short- and long-term business goals. "Ann and Peter are two of the brightest, most creative and client-driven loan officers I know. We work closely together on each transaction we handle for them and they are very hands-on," says Duane Morris Partner Brian Kerwin.

The approach has certainly paid off: LaSalle in recent years has expanded its footprint to 23 states, with commercial banking offices in 19 cities across the United States. That, in turn, has greatly expanded both its legal services requirements and its partnership with Duane Morris.

The partnership began in the late 1990s after Kerwin moved to Duane Morris. Since that time the firm has focused on 1) developing both its single-source capabilities (LaSalle's health care-related transactions typically draw Duane Morris attorneys from different parts of the country and from a number of practice areas) and 2) its sensitivity to the borrower's needs.



Photography by Chris Lake

Brian Kerwin (left), Duane Morris LLP; Peter J. Kane and Ann O'Shaughnessy, LaSalle Bank N.A.



Daniel Kohn (left), Neville M. Bilimoria, Brian Kerwin and Jennifer C. Escalante, Duane Morris LLP

“Obviously, our job is to protect the bank’s interests, but part of that entails applying the bank’s relationship-focused, ‘personal’ touch,” Kerwin says. “You don’t want to be rude or impractical and fight over every last immaterial point. The party on the other side of the table is a valued customer. Some have been with LaSalle for 40-plus years, through either loan renewals or additions. So we keep the customer, their lawyers, their business objectives and the partnership they have with the bank front and center at all times.”

### The Big Deals

With LaSalle looking to expand its lending operations beyond the Midwest, Duane Morris’ national footprint is especially beneficial as well. As an example, Kerwin references two recent transactions that had a healthy dose of financing, real estate, health care and M&A-related issues.

The first was a \$350 million deal with O’Shaughnessy’s group.

“In addition to the sheer size of the deal, the borrower was using the loan to buy more than 100 properties. Further, the properties were located in dozens of states and involved multiple owners, all of which made it

exceedingly complex,” O’Shaughnessy explains. “The fact that Duane Morris had offices in different parts of the country was obviously helpful. They put together a cohesive team, kept everyone focused and met all the deadlines. The communications were excellent—they kept everyone up to date on where things stood, which is crucial.”

“It was especially complicated because each property was part of a holding company, which made each one a separate legal entity,” adds Duane Morris Partner Daniel Kohn, who managed the deal’s real estate component along with Associate Jennifer C. Escalante. “Therefore, we had to involve attorneys from different offices to perform the due diligence. For example, we reviewed each property to ensure there weren’t any liens. And because the health care facilities on the property could impact its value, our health care attorneys also made sure they were free of any regulatory compliance issues.”

The second deal, a \$110 million transaction with Kane’s group, was no less complex. It involved 10 borrowers and multiple senior housing facilities situated throughout the western United States, primarily Washington and Oregon.

## partnership at a glance

### LaSalle Bank N.A.

LaSalle Bank N.A. is the largest bank headquartered in Chicago, with \$71.4 billion in assets and \$44.2 billion in deposits. Parent company LaSalle Bank Corp. has \$122.3 billion in assets and is an indirect subsidiary of Netherlands-based ABN AMRO Bank N.V., a leading international bank with total assets of EUR 999 billion.

**Ann O’Shaughnessy** is a senior vice president and Health Care Division manager of LaSalle Bank N.A. With more than 15 years of experience in lending to the health care industry, her division specializes in long-term care and senior housing, with a national geographic focus. Contact Ann at [ann.o'shaughnessy@abnamro.com](mailto:ann.o'shaughnessy@abnamro.com).

**Peter J. Kane** joined LaSalle Bank N.A. in 2000 and is a senior vice president leading a team of lenders that cater specifically to the for-profit senior housing sector. Kane previously spent two years with an investment bank that specialized in raising money for nonprofit operators in the tax-exempt bond market. Contact Peter at [peter.kane@abnamro.com](mailto:peter.kane@abnamro.com).

“When a health care facility changes hands, there are a number of measures that have to be taken early on to keep the deal moving. For example, change of ownership applications must be filed with the various state regulatory boards to ensure you are properly certified and licensed,” explains Duane Morris health law Partner Neville M. Bilimoria. “Without that, you can have Medicare and Medicaid reimbursement delays and a slew of penalties, all of which impact the borrower’s ability to pay back the

partnership  
at a glance

**Duane Morris LLP**

Duane Morris LLP corporate finance lawyers represent banks, private equity funds, savings associations and their holding companies in more than 40 states in the United States and abroad. The firm also represents other providers of financial services, including investment banking and brokerage firms, commercial finance companies, insurance companies and credit unions in a broad range of regulatory, legislative and business law areas.

**Brian Kerwin**, a partner in the Duane Morris Corporate and Finance practice groups, has extensive experience representing business entities, lenders, private equity funds and entrepreneurs in various business and financing transactions, including syndicated secured financings, the buying and selling of companies, acquisition financing arrangements and private equity transactions. Contact Brian at BPKerwin@duanemorris.com.

**Daniel Kohn**, partner, focuses his practice on commercial real estate development, finance and sales, and mortgage securitization. His experience includes structuring, negotiating and documenting commercial loan transactions and other credit accommodations, including acquisition, construction, conversion and health care-related real estate financings. Contact Daniel at DKohn@duanemorris.com.

**Neville M. Bilimoria**, partner, advises health care clients on corporate and litigation matters. He regularly counsels hospitals, managed care organizations, nursing homes, pharmaceutical companies, physicians and practice groups on a variety of issues including health care corporate transactions, and health care fraud and abuse compliance issues. Contact Neville at NMBilimoria@duanemorris.com.

**Jennifer C. Escalante**, associate, practices real estate law including handling acquisitions and dispositions, financing, commercial leasing, condominium conversions and construction contracts.

loan. So we brought in health care attorneys familiar with the regulations in each state to establish what needed to be done and push each item along to make sure the transaction remained on track.”

Keeping an eye on such details, Kerwin says, is the only way to avoid costly delays.

“I was, in effect, the quarterback on both of these deals. But there are so many different

components, one lawyer can’t oversee everything,” he says. “It really is a team effort. Dan Kohn oversees the real estate component, including the selection of real estate attorneys in our other offices. Neville Bilimoria handled the health care component in much the same way. And because each deal involved a borrower using the loan to purchase an asset, I provided the M&A and commercial finance expertise.”

**High Marks**

While meeting the borrower’s needs is one way that Duane Morris helps LaSalle’s bottom line, providing client leads, a common practice between loan officers and their law firms, is the other. And once again, both Kane and O’Shaughnessy say, Duane Morris receives high marks.

“When it comes to our transactions, it really is a collaborative approach,” O’Shaughnessy says. “But it’s also a reciprocal relationship. They’re a good-sized firm and they often refer business back to us when the opportunity arises.”

“We’re always looking for ways to add value,” Kerwin says. “If a client is buying another company, funds are typically held back in escrow. In some cases, it may be up to \$10 million for two or three years. So I’ll ask whether they would consider employing LaSalle as the escrow agent.”

That type of commitment, Kane says, is what keeps the partnership going strong.

“When I’ve got an especially complicated transaction, they are my A-team,” Kane concludes. “I’ve been here since 2000 and Duane Morris has handled most of my large and complex transactions. And going forward, I don’t see any reason why that should change.”

