



Problem Loan Disposition Resources

The duration of the COVID-19 pandemic and its potential aftereffects are still unknown. Once payment deferrals, rent deferrals, PPP benefits, and other concessions lapse, some borrowers may still be suffering financial distress. In light of this, CUBG has formed alliances with certain firms offering specialized workout services.

The chart below lists these firms and their respective capabilities. If one of these firms will meet your needs for a particular transaction or you need additional information to determine whether these services are appropriate for your situation, contact Jeff Stone at jeff.stone@cubg.org or **971-244-6407**.

Loan Disposition Activity Resources

Service	Firm (Focus = firm's specialty)		
	Gelde Advisors	Geraci Law Firm	Alter Domus
Default Letters - with teeth!	Yes	Yes - Focus	No
Assisting in structuring (and possibly negotiating) loan workouts/TDRs	Yes	Yes - Focus	Yes ⁴
Documenting the resulting loan modification and/or forbearance agreement	Yes	Yes - Focus	No
Identifying an appropriate receiver for the property, should the circumstances warrant	Yes	Yes	Yes - Focus
<i>If the workout is not feasible, or fails to resolve the borrower's delinquency or other default, the following services may be called for:</i>			
Initiating foreclosure (NOD & NOS)	Yes	Yes - FOCUS (CA only)	No
Trustee services	No	Yes - FOCUS (CA only)	No
Handling the foreclosure sale and the transfer deed	Yes ¹	Yes - Focus (CA only)	No
Securing the property if the lender takes it back	Yes	No	No
Advising when a deed-in-lieu may be a more appropriate course of action	Yes	Yes - Focus	Yes
Drafting the deed-in-lieu agreement and recording documents	No	Yes - Focus	No
Advising when a note sale would be a more efficient and cost-effective course of action	Yes	Yes - Focus	Yes - Focus
Locating a note buyer	Yes - Focus	No	Yes - Focus
Handling the note sale and forwarding the sale proceeds to the credit union	Yes - Focus ²	Yes	Yes - Focus
Providing all transaction documentation	Yes ³	Yes - Focus	Yes
Providing (and possibly handling) an appropriate course of action if the borrower files bankruptcy either before these actions are initiated or while they are in progress	Yes ¹	Yes - FOCUS (CA only)	Yes ¹

¹ In conjunction with legal counsel.

² Done through an auction process with a firm that specializes in maximizing the value in an online auction.

³ If the company is proving the loan servicing and accounting for the note.

⁴ Another company focus is providing comprehensive loan and asset valuations.



Providers

Gelde

Advisors

Gelde Advisors facilitates the disposition, transfer or work-out of troubled member business loans, with emphasis on loans secured by commercial real estate. We provide expert underwriting and market value assessments, utilizing a national network of over 73,000 qualified institutional and individual investors. We make risk-free, cost-free recommendations for optimal resolution before a client commits to a course of action. Our alternative solutions can save credit unions significant expenses and time in resolving troubled real estate loans over services often provided by legal counsel. And, we have proven risk-free services that facilitate the resolution of troubled member business loans, optimizing returns aligned with investors' objectives.



Geraci Law Firm is focused solely on creditor representation. Its robust nationwide lending compliance and loan documentation team prepares nationwide loan documents, forbearances, modifications, extensions, participations, intercreditor agreements, and all other loan related transactional and loss mitigation documents. Geraci Law Firm is a go-to resource for attorney prepared documents nationwide.

alterDomus*

Alter Domus, founded in 2003, is an independent, primarily management owned company, focused on among other things, offering high quality core loan servicing which provides our clients a scalable, stable, and economical option to internally servicing their commercial loan portfolio. Among the solutions we provide are the management and resolution of non-performing or under-performing commercial loans. Our Special Asset Management team is comprised of very experienced distressed Asset Managers focused on maximizing your recovery and compressing the resolution timeline while keeping you at the forefront of all decisions.