



***WORKOUT, FORECLOSURE,  
DEEDS IN LIEU,  
RECEIVERSHIPS AND OTHER  
JUDICIAL AND NON-JUDICIAL  
REMEDIES***

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Introduction  
History of Workouts  
Investigation Process  
Remedies and Reactions  
Foreclosures and Remedies  
Receivership  
Conclusion

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## *INTRODUCTION*

What is the problem?

- Maturity
- Performance Covenant
- Monetary (Payment)
- Non-Monetary(Obligation)
- Financial Covenants

What are the possible solutions?

Is the borrower, guarantor or capital sponsor the proper person to effect such solutions?

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## *HISTORY OF WORKOUTS*

- It is helpful to understand the history of workouts so as to properly identify the issues and risks for the current workout experience.
  - Workouts in the 80's and early 90's
  - The Roaring 90's
  - 911 Realignment 2001-2004
  - Post 911 Resurgence
  - 2008-2010 Recession
  - 2010-Recovery and Expansion
  - 2020-COVID
  - 2023-2024-Inflation and Rising Interest Rates

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## *WORKOUTS IN THE 80'S AND EARLY 90'S*

- The workouts in the 80's and 90's were an unpredictable acrimonious environment.
- This was the result of many factors.
- The loans were generally full recourse for the borrower and the individual principal of the borrower.

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## *THE ROARING 90'S*

- For the greater part of 90's and the beginning of the 21<sup>st</sup> century, the capital and lending departments evolved dramatically.
- The interest rates dramatically lowered and the economy grew to an extent that the real estate industry enjoyed rising values due to actual economic parameters and not artificial tax structures.
- The CMBS market was created and produced the most efficient capital delivery system in the history of commercial real estate industry.

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[2024 William W. Gibson, Jr. Mortgage Lending and Servicing eConference](#)

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"Part 1: Workout, Foreclosure, Deed-in-Lieu, Receivership, and Other Judicial and Non-Judicial Remedies. So Many Choices..."