

OUR PRACTICE

Asset-Based Lending

Baker Donelson's multidisciplinary Asset-Based Lending (ABL) Team combines deep knowledge of financial services, tax, corporate law, commercial litigation, and bankruptcy to advise clients in transactions of all sizes, from middle-market borrowers to complex syndicated facilities. We represent national and regional banks, direct lenders, financial institutions, and borrowers in a wide range of ABL transactions, including revolving credit and term loan facilities for working capital, asset acquisitions, capital expenditures, refinancings, and specialized structures such as debtor-in-possession (DIP) and exit financings.

We have experience with an extensive range of collateral types securing these loans, including:

- Accounts receivable
- Inventory
- Chattel paper
- Equipment leases
- Consumer and commercial loans
- Real property
- Equity interests
- Automotive dealer finance receivables
- Other assets such as motor vehicles, aircraft, and vessels

Our ABL services include:

- Structuring, negotiating, documenting, and closing complex asset-based loan transactions, including bilateral and syndicated, for agents, lenders, and borrowers.
- Analyzing and negotiating complex intercreditor agreements for diverse capital structures, including first-second lien financings, split-collateral arrangements, and unitranche structures.
- Leveraging the Firm's [Equipment Finance](#) and [Real Estate Finance](#) practices for transactions involving collateral beyond accounts and inventory.
- Analyzing transactions involving the financing of inventory in-transit to the U.S., and providing solutions to mitigate transactional risk while minimizing operational disruption.
- Partnering with our financial regulation team to address unique issues in lender finance transactions.
- Creating and evaluating form documents for lender-clients' use with asset-based loans.
- Reviewing loan documentation for financial institutions participating in syndicated transactions.
- Collaborating with our creditors' rights and bankruptcy team on loan enforcement actions, out-of-court restructurings, and bankruptcy matters.



Representative Matters

Results may vary depending on your particular facts and legal circumstances.

- Acted as counsel to a borrower in a \$250-million syndicated asset-based revolving credit facility for a regional distributor of HVAC systems and components.
- Represented a food company based in the Southeastern U.S. in connection with various financing and real estate matters, including the negotiation of a \$150-million syndicated senior credit facility secured by accounts receivable, inventory, equipment, and real estate to be used to finance acquisitions and operations.

- Represented a regional bank in a \$45-million and a \$100-million revolving credit loans to affiliated private lending funds.
- Represented an agent bank in a \$90-million secured loan facilities to related companies providing small business working capital solutions, including merchant cash advances and microticket leases.
- Represented a regional bank in a \$50-million term and revolving credit facility secured by multiple intermediate care facilities.
- Represented an agent and lender in a \$45-million revolving credit facility to a specialty water product company.
- Represented an agent and lender in a \$30-million asset-based revolving credit facility to a designer, importer, and distributor of home organizational solutions, including the financing of in-transit inventory.
- Represented a national bank in a \$25-million revolving credit facility to a manufacturer and distributor of specialty sports apparel, including the negotiation of a split-lien intercreditor agreement with a term loan provider.
- Represented a national bank in a \$10-million acquisition and working capital financing to the purchaser of the thermoforming operations of a publicly traded company.
- Ongoing representation of a bank based in the Southeastern U.S. on a wide variety of bilateral and syndicated commercial financing transactions, including asset-based loans, construction loans, and other loans secured by commercial real estate, loans to finance companies, and loans to bank holding companies.