

PRESS RELEASE

Baker Donelson Attorneys Bring Home Defense Win for National Bank

February 14, 2013

(Houston, Texas / February 14, 2013) Attorneys Douglas R. Drucker, Kirby D. Hopkins and Rachel N. LeMay of Baker, Donelson, Bearman, Caldwell & Berkowitz, PC successfully defended a Houston-based, national bank in complex business litigation over a real estate acquisition and development deal. The suit was pursued by five local residential and commercial development companies (Cause No. 2010-40768; 269th District Court, Harris County). The plaintiffs' claims included: breach of a land acquisition loan by the bank; breach of housing development and construction loans by the bank; breach of fiduciary duties; tortious interference with an alleged prospective land and housing development sale; tortious interference with loans on shopping centers, a restaurant, and other real estate -- where it was alleged that the placing of second liens caused foreclosures; and fraud.

The plaintiffs sought damages of more than \$41 million, as well as punitive damages and attorney fees. The jury, however, never reached the questions on damages. After more than two years in court and a two-week trial, on February 1, 2013, the jury deliberated for six and a half hours before returning a verdict denying all of the plaintiffs' claims against the bank and two former officers.

"The jury delivered an appropriate no-liability verdict based on the facts of the case, which demonstrated that the bank properly handled -- from beginning to end -- borrower relationships and large, complicated real estate transactions involving development and construction," said Kirby Hopkins. "Opposing counsel brought out the best in our team. And our team banded together and prevailed under difficult circumstances."