

Haynes and Boone Team Successfully Sells Prison Investment

March 24, 2017 Arthur Cohen, Ian Peck, Brack Bryant, Odean Volker, Michael Mazzone, Tom Harris, Deborah Low

PRACTICES Mergers and Acquisitions, Litigation, Real Estate, Restructuring

A large interdepartmental Haynes Boone team achieved an extraordinary result in a unique transactional matter that started with a prison riot in a private prison in Willacy County, Texas, in February of 2015.

The firm represented a U.S. bank as indenture trustee for a group of investors who owned bonds issued by Willacy County. Following the riot, the Federal Bureau of Prisons cancelled the prison's contract and forced the closure of the prison.

The Haynes Boone team negotiated with the insurance company, the prison operator, Willacy County and others for two years to help the bondholders try to recoup their investment. Following the Trump Administration's renewed focus on private detention facilities, the team was able to hold an auction for the facility. On March 10, it was sold to the former operator, for a return to bondholders of more than 85 cents on the dollar. The significant price obtained was due in large part to the earlier, favorable negotiations and settlements obtained by Haynes Boone.

"It was an extraordinary result based on a lot of hard work by our lawyers and our clients," said Partner [Arthur Cohen](#), who led the team, along with his D.C. colleague, Associate Andrew Thurmond.

Also providing essential contributions were Senior Counsel Bob Albergotti, and Partner [Ian Peck](#) of the firm's Bankruptcy and Restructuring Practice Group in Dallas; Partners [Brack Bryant](#) and Bob Ladd, and Associate Kate Ortbahn in the firm's Real Estate Practice Group in Dallas and Houston; Dallas insurance Partner Werner Powers; Partners [Odean Volker](#) and [Michael Mazzone](#), and Associates Pierre Grosdidier, Robert Carlton and David Merryman of our Litigation Practice Group in Dallas and Houston; Austin environmental Counsel Carie McKinney; Partner [Tom Harris](#) of the firm's Mergers & Acquisitions Practice Group in Dallas; Partner [Cheryl Rosenberg](#) and Counsel Janet Robertson of the firm's Public Law Practice Group in Houston; and New York finance Associate [Deborah Low](#).