

CLOSING/POST-CLOSING LIABILITIES IN PURCHASE AND SALE AGREEMENTS

Presented by:

Jennifer Adams Shepler

Member

Eckert Seamans Cherin & Mellott, LLC
600 Grant Street, 44th Floor
Pittsburgh, PA 15219

412.566.6859
jshepler@eckertseamans.com



Julia Charnyshova

Member

Eckert Seamans Cherin & Mellott, LLC
600 Grant Street, 44th Floor
Pittsburgh, PA 15219

412.566.6184
jcharnyshova@eckertseamans.com



**PITTSBURGH,
PENNSYLVANIA**

600 Grant St.
44th Floor
Pittsburgh, PA 15219

P: 412.566.6859

F: 412.566.6099

jadams@eckertseamans.com

PRACTICE AREAS:

[Business Counseling](#)

[Hospitality](#)

STATE ADMISSIONS:

Pennsylvania

EDUCATION:

J.D., University of Toledo College
of Law, 2006

B.A., magna cum laude, Seton Hill
University, 2003

Jennifer Adams Shepler

MEMBER**VICE CHAIR, WOMEN'S INITIATIVE AT ECKERT**

Jen Adams Shepler has more than ten years' experience working on corporate transactions with a significant focus on the hospitality industry. A substantial portion of her practice is devoted to representing hotel owners, developers, investors, and management companies. She assists with all aspects of acquisition and disposition for various hotel related assets and other commercial properties, including multifamily units and industrial sites. Jen has assisted with the negotiation of purchase and sale agreements and closing documents, management agreements, franchise agreements, comfort letters, technical services agreements, subordination of management agreements, and various other similar agreements. In addition, Jen negotiates and reviews a wide range of operational hotel-related agreements, including service agreements and group sales agreements, and is actively involved in assisting clients with financing acquisitions and refinancing of existing loans.

Jen is actively involved with the Women's Initiative at Eckert (WIE), for which she serves as Vice Chair. Through WIE, Jen assists with various programming to create a supportive environment to champion women in the legal field and allow everyone an equal opportunity for success.

REPRESENTATIVE MATTERS

- Assists U.S. investment trusts and other hotel developers and owners in connection with the acquisition and disposition of numerous full-service and limited-service hotels, including drafting and negotiation of purchase and sale agreements and ancillary documents and representation through closing and subsequent financings.
- Acts as outside in-house counsel fielding and assisting with various operational, employment, and contractual matters.
- Negotiates new franchise agreements on behalf of hotels owners for hotels located in the U.S.
- Represents leading management companies in connection with negotiating management agreements, service contracts, and other ancillary documents.
- Assists with the financing of various hotel portfolios for investment trusts and other commercial property.
- Represents tenants in common in connection with the sale of a U.S. hotel.

PROFESSIONAL AFFILIATIONS

- National Association of Women Lawyers

COMMUNITY INVOLVEMENT

- Environmental Advisory Council for the Municipality of Murrysville, Secretary (2017 – Present)
- Reading is FUNdamental Pittsburgh, elementary school reading mentor

AWARDS AND RECOGNITION

- Selected for inclusion in *Pennsylvania Super Lawyers – Rising Star*

NEWS AND INSIGHTS

PUBLICATIONS

- “[How The Pandemic Re-Shaped Force Majeure.](#)” co-author, HospitalityLawyer.com®, April 22, 2021.

SPEAKING ENGAGEMENTS

- “Empower Her,” Boys & Girls Club of Western Pennsylvania, March 2023

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F: 412.566.6099

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PRACTICE AREAS:

[Business Counseling](#)

[Hospitality](#)

[Mergers & Acquisitions](#)

STATE ADMISSIONS:

Pennsylvania

Florida

COURT ADMISSIONS:

U.S. District Court for the Western
District of Pennsylvania

EDUCATION:

J.D., cum laude, Duquesne
University School of Law,
2007; *Duquesne Law Review*

B.A., Brest State University
(Belarus), 2000

Julia A. Charnyshova

MEMBER

Julia Charnyshova is a corporate transactional attorney and she focuses her practice in the hospitality industry. A substantial portion of her practice is devoted to representing hotel owners, which range from publicly traded companies and large private equity funds to individual developers, in all aspects of hotel development and ownership. With the assistance of Eckert Seamans attorneys in other practice groups (construction, real estate, environmental, labor & employment, real estate, financial transactions and data privacy), Julia advises hotel owners in all aspects of hotel development, ownership as well as acquisition/disposition of hotels, including negotiation of purchase and sale agreements; title and due diligence review; negotiation of franchise and management agreements, hotel financing matters, corporate structure advice and drafting and negotiation of joint venture agreements.

Julia also represents hotel operators in connection with negotiation of hotel management agreements, subordination of management agreements and various vendor service agreements.

Additionally, Julia advises hotel lenders with respect to hotel-specific review of loan documents, including negotiation of subordination of management agreements and franchise comfort letters.

REPRESENTATIVE MATTERS

- Serves on lead counsel team for a leading U.S. investment firm in connection with the acquisition and disposition of numerous full-service and limited-service hotels, including drafting and negotiation of purchase and sale agreements and ancillary documents and representation through closing.
- Negotiates new franchise agreements on behalf of hotels owners and assists in restructuring existing licensing relationships with major U.S. hotel brands for hotels located in U.S., Europe and Russia.
- Handles large-scale management company transition matters with various hotel operators on behalf of major investment fund, including negotiation of new management agreements, termination of existing management agreements and lender approval matters for large portfolios of hotels.
- Assists major U.S.-based hotel management company with negotiation, drafting, translating and finalizing Russian/English documents and agreements for hotels in Russia.

- Represents hospitality lenders with respect to negotiation of lender comfort letters and other franchise matters with major U.S. hotel brands.

COMMUNITY INVOLVEMENT

- Reading is FUNdamental Pittsburgh, elementary school reading mentor

NEWS AND INSIGHTS

SPEAKING ENGAGEMENTS

- “Adding Lenders to the Mix: Everything You Wanted to Know About Three-Party Agreements But Were Afraid to Ask,” panel presenter at the 7th Annual Georgetown Hotel & Lodging Legal Summit, October 2018.

Closing/Post-Closing Liabilities in Purchase and Sale Agreements

Julia Charnyshova and Jen Shepler | Legal Primer
CLE August 24, 2023

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Main Stages of Acquisition or Sale

- Due Diligence Period (typically 30 to 35 day)
- Closing (typically 30 to 60 days after expiration of Due Diligence Period)
- Post-Closing

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Closing

- Buyer's Pre-Closing Obligations
 - Accuracy of Buyer's Representations and Warranties
 - Buyer's Closing Deliveries
 - Performance of Covenants
- Seller's Pre-Closing Obligations
 - Accuracy of Seller's Representations and Warranties
 - Seller's Closing Deliveries
 - Performance of Covenants

Representations and Warranties

- Seller reps and warranties
 - Limit to Seller's Knowledge
 - Limit to receipt of written notice
 - Buyer's knowledge of accuracy of reps and warranties
 - Prior to Due Diligence Period Expiration
 - Prior to Closing
 - Deemed to have knowledge of all information in due diligence materials

Post-Closing

- Survival Period
- Minimum Amount of Claims
- Cap
- Holdback Escrow
- Guaranty
- Net Worth/Liquidity Covenant