



## Sheila E. Calello

Chair, Bankruptcy, Restructuring & Litigation Practice | Partner | Newark |  
973.639.6931  
scalello@mccarter.com

Bankruptcy, Restructuring & Litigation | Bankruptcy | Creditors' Rights | Bankruptcy Litigation | Appellate Litigation | Financial Institutions | Healthcare | Impact Investing | Transportation, Logistics & Supply Chain Management | Hospitality

Sheila leverages more than 25 years of experience helping lenders and other clients recover funds during both robust and difficult economic times.

Chair of the firm's Bankruptcy, Restructuring & Litigation Practice, Sheila Calello protects creditors' rights, including handling workouts, state and federal court commercial litigation, foreclosures, defensive litigation, loan sales, forbearance agreements, and bankruptcy matters. She has addressed numerous types of commercial claims involving all types of commercial properties and collateral.

Sheila's extensive experience gives her insight into the unique business needs and objectives of her clients. She has developed long-lasting relationships with her clients who rely on her counsel concerning collecting or restructuring their troubled loans or protecting their interests, including advising on lender liability claim prevention.

Sheila's appellate work includes having co-written the briefs and participated in the lender's appeal in *In re Jason Realty* before the Third Circuit Court of Appeals, which established a lender's outright entitlement to rents under an assignment of rents. She also participated in preparing amicus briefs before the New Jersey Supreme Court, including a challenge to the Appellate Division's holding as to when the statute of limitations begins to run under the actual fraud provisions of the New Jersey Fraudulent Transfer Act.

A frequent lecturer and writer, Sheila has spoken on a variety of subjects related to enforcement of remedies, loan collection, and bankruptcy-related issues. Her published writings include "Jason Realty: The End of Single Asset Reorganizations?" on lender's rights under an assignment of rents published in the *New Jersey Debtor Creditor Newsletter* and an article in the *Seton Hall Law School Constitutional Law Journal* on the Eighth Amendment and proportionality review.

### Representative Matters

Commercial real estate company—Foreclosure litigation

Represented a commercial real estate company in its role as a court-appointed receiver in a foreclosure action involving a mortgage loan in excess of \$20 million secured by an office building in New Jersey.

Real estate lender / special servicer—Foreclosure litigation

Obtained payment in full, including default interest and a prepayment fee, for a special servicer foreclosing on a loan secured by over 50 multifamily properties in New Jersey and New York.

**Grocery wholesaler—Loan recovery, asset transfer**

Represented a large multistate grocery wholesaler cooperative in collecting on a multimillion dollar loan provided to a cooperative member that owned two supermarkets. We negotiated the turnover of assets in partial satisfaction of the debt owed and the transfer of ownership of one of the supermarkets to a partnership between the grocer and another cooperative member company that assumed the remaining debt.

**Large national bank—Foreclosure litigation**

Represented a large national bank in foreclosing on a loan secured by a large New Jersey hotel, working with a court-appointed rent receiver to operate and sell the hotel property. We are representing the bank in separate actions against the loan guarantors for the remainder owed on the loan.

**Backup generator wholesaler—Commercial litigation**

Resolved favorably for a backup generator wholesaler damages and contractual disputes before the U.S. District Court, District of New Jersey concerning damage caused to its generators by its carrier and its underlying contract with the carrier.

**Regional bank—Foreclosure litigation**

Represented a regional lender in foreclosing on a senior living facility, including obtaining facility license extensions to enable the facility's continued operation and rehabilitation and working with the court-appointed receiver to market and negotiate a sale of the property.

**Special servicers—Foreclosure and sale**

Representation of special servicers in collection of securitized loans and achieving recoveries through foreclosures and property sales, or restructuring debt.

**National bank—Non-dischargeability action**

Represented a lender in the bankruptcy proceedings of its borrower and guarantor and obtained summary judgment in the non-dischargeability adversary proceeding against the guarantor, resulting in a substantial settlement payment to the bank.

**National Football League (NFL) team—Subpoena response**

Represented an NFL football team in response to a subpoena and defense of threatened preference/fraudulent transfer claims in the bankruptcy proceeding of In re National Events Holding, LLC.

**Commercial lender—Collection actions**

Representing a commercial lender in collecting a \$16 million loan from non-obligor sources based on causes of action of fraud, conversion, and accountant malpractice.

**Grocery wholesaler—Multi-loan recovery litigation**

Secured a full recovery on \$7 million in loans made by our grocery wholesaler client to a borrower within a contested state court litigation that required navigating a forbearance agreement and the borrower selling some assets.

**Commercial bank—Multi-forum loan recovery litigation**

Representing a commercial bank in litigation to collect a \$5 million Small Business Administration loan made to a bankrupt construction company. The litigation involves liquidation of more than 400 pieces of machinery and equipment, four foreclosure actions, and multiple collection actions against guarantors.

## **Education**

Seton Hall University School of Law, JD, *summa cum laude*, 1991

Carnegie-Mellon University, BS, 1985

## **Bar Admissions**

New Jersey

Pennsylvania

## **Court Admissions**

U.S. District Court, Southern District of New York

## **Memberships and Certifications**

Commercial Real Estate Finance Council (formerly CMSA)  
Member

National Association of Women Lawyers

American Bar Association

New Jersey State Bar Association

## **Recognitions\***

*The Best Lawyers in America*, Bankruptcy and Creditor Debtor Rights/Insolvency and Reorganization Law, Litigation–Bankruptcy, New Jersey, 2023–2025

Best 50 Women in Business, *NJBIZ*, 2016

\* No aspect of this or any advertisement has been approved by the Supreme Court of New Jersey. For ranking methodologies, please see [here](#).

## **Alerts**

Get It in Writing, Bankruptcy & Restructuring Alert, 5.7.2018

## **Speaking Engagements**

Real Estate Markets in 2024: Navigating Growth and Decline, TMA Mid-Atlantic Regional Symposium, 5.13.2024

Lenders Perspectives on Redevelopment Agreements, NJSBA, 5.8.2023

Commercial Lending in 2022: Current Conditions, New Risks and What's on the Horizon?, Turnaround Management Association, 5.9.2022

Getting Somewhere: Using Diversity to Advance and Retain Talent, NJ Bankers Association: Women in Banking Conference, 5.5.2014

## **Webinars**

Managing Chaos in the Era of Loan Defaults: What Lenders and Borrowers Need to Know, Turnaround Management Association, 9.29.2020