

HUSCH BLACKWELL CLOSES SALE OF CEMETERIES

Peter Pakalski and Bill Bonomo, co-owners of Granite Resources Corp. and Wisconsin Cemeteries Holdings LLC of Nashotah, Wisconsin, chose to sell the two companies to StoneMor Partners LP (NYSE: STON), which operates 317 cemeteries and 105 funeral homes nationwide.

The sale expanded the capabilities of both organizations. Following the sale, Pakalski began work as an executive for StoneMor, focusing on developing a national plan for marketing stone monuments. The other co-owner, Bonomo, continues to operate cemeteries in Ohio.

Husch Blackwell attorneys forged an agreement for StoneMor to buy 16 of Wisconsin Cemeteries Holdings' cemeteries, including real estate, personal property, contract rights and rights to manage the cemetery trust accounts, which ensure future maintenance funds. Some of the real estate was transferred separately to enable 1031 exchanges. Additionally, StoneMor bought Granite Resources' inventory of monuments and markers, contract rights, and engraving and stone-cutting equipment.

It was not a cookie-cutter deal. The unusual and informal ownership structure of cemetery associations, established in the 1880s by Wisconsin statute, created particular challenges in selling six of the cemeteries. StoneMor bought the personal property assets and contract rights to operate those six cemeteries, while the transfer of real property was on a separate timeline because of the unique organizational structure of the cemetery associations.

The perseverance of the Husch Blackwell team during the difficult deal paid off for the clients.

GRANITE RESOURCES CORP. AND WISCONSIN CEMETERIES HOLDINGS LLC

Other Key Player: StoneMor Partners LP

Type of Deal: Sale of 16 cemeteries, granite monument business and operating rights

Deal Location: Southern Wisconsin

Size of Deal: \$12 million

Principal Husch Blackwell Team Members: Thomas Godar, Paul Karch, Phillip Bower, Daniel Geraghty, Eric Hansch, Jennifer Devine (senior paralegal)

Industry Group and Practice Areas Involved: Real Estate, Development & Construction; Corporate; Mergers & Acquisitions



"We are extremely pleased with all of Husch Blackwell's work on this deal. Tom [Godar] and Paul [Karch] provided incredible expertise throughout the long negotiations. They had an amazing ability to understand all the moving parts and quickly resolve issues. And their genuine interest and friendship gave us the confidence we needed to keep moving forward."

— Peter Pakalski, President, Granite Resources Corp.