

2016's Top Hotel Deals Involved More Than A Dozen Law Firms

By **Andrew McIntyre**

Law360, Minneapolis (January 23, 2017, 6:49 PM EST) -- Companies buying and selling trophy hotel properties in 2016 looked to a wide range of law firms, with more than a dozen picking up work on the 10 largest U.S. deals of the year — though one firm was particularly busy.

In a year that saw properties in a variety of markets command top dollar, Morrison & Foerster LLP worked on four of the year's 10 largest hotel deals, thanks in part to multiple deals by its client Boyd Gaming Corp.

The largest deals, which Real Capital Analytics ranked by the value of the building even if only a partial stake changed hands, involved properties in eight states and the District of Columbia; only Nevada had multiple deals among the top 10.

The 10 Most Expensive Hotels Sold in 2016

Property Name	City	Property Value	
Borgata Hotel Casino & Spa	Atlantic City	\$1,800M	Details
Hyatt Regency	Honolulu	\$780M	Details
Aliante Casino + Hotel	North Las Vegas	\$380M	Details
LondonHouse Chicago	Chicago	\$315M	Details
Palms Casino Resort	Las Vegas	\$313M	Details
Hilton Washington	Washington	\$306M	Details
Ritz Carlton San Francisco	San Francisco	\$300M	Details
Gaylord Rockies Resort	Aurora, CO	\$287M	Details
Hotel Chelsea	New York	\$250M	Details
The Confidante	Miami Beach	\$229M	Details

Source: Real Capital Analytics

That's a stark contrast to the way the overall market played out in 2016, with Manhattan accounting for eight of the 10 largest real estate deals last year, all eight of which were office towers.

MoFo and two other law firms picked up work on the deal Real Capital Analytics pegged as the year's largest: Boyd Gaming's sale of a 50 percent stake in the Borgata Hotel Casino & Spa to MGM Resorts International in a deal that valued the Atlantic City property at \$1.8 billion.

MoFo's Brandon C. Parris represented Boyd Gaming on the matter, while Munger Tolles & Olson LLP got work on the deal as counsel to MGM Resorts with a team that included Kevin S. Masuda, Jennifer M. Broder and Kimberly D. Omens; Fox Rothschild LLP's Nicholas Casiello Jr., William J. Downey III, Daniel S. Ojserkis and Patrick Madamba Jr. also represented MGM Resorts, providing New Jersey and gaming regulatory counsel.

Parris, who worked on multiple deals in the top 10, couldn't be immediately reached for comment.

The second-largest hotel deal of the year saw Korean financial services firm Mirae Asset pay The Blackstone Group LP \$780 million for a Hyatt Regency hotel in Honolulu.

Simpson Thacher & Bartlett LLP represented Blackstone, a longtime client, with a team led by Gregory J. Ressa that included Patrick Dowd, Danielle Jackson, Gregory Grogan, Alina Grinman, Andrew Kofsky and Nancy Mehlman.

DLA Piper also scored work on the transaction, with its Stephen A. Cowan and Laurie Scola representing Mirae.

Deal value dropped off significantly moving to the No. 3 spot, with the remaining transactions on the list falling within a fairly narrow price range.

MoFo got work on that deal, again helping Boyd Gaming, this time with its \$380 million purchase of the Aliante Casino Hotel and Spa in Las Vegas from a joint venture of Standard General, TPG Capital and Apollo Global Real Estate.

Parris led a team of MoFo lawyers that included Greg LeSaint, Jeffrey Washenko and Ali Assareh, while Aliante had counsel from Daniel Fisher of Akin Gump Strauss Hauer & Feld LLP.

The fourth-largest deal of the year, inked in April, saw a venture of Unilmmo: Europa and Metzler Real Estate buy the LondonHouse in Chicago for \$315 million from a venture of Oxford Capital Group LLC and Angelo Gordon.

Counsel information for that deal was not immediately available.

Las Vegas again appeared among the top five, with Willkie Farr & Gallagher LLP and Milbank Tweed Hadley & McCloy LLP getting work on Red Rock Resorts Inc.'s \$312.5 million purchase of Palms Casino Resort.

FP Holdings LP, which does business as Palms Casino Resort, had counsel on that matter from Mark A. Cognetti and Manuel A. Miranda of Willkie Farr, while Milbank's Deborah J. Conrad, Manan Shah, Max A. Goodman and Ramin Savar worked on the deal for Red Rock Resorts.

In the only deal among the top 10 in Washington, D.C., a venture of Oaktree and Clearview Hotel Capital LLC paid \$305.5 million for a Hilton hotel on Connecticut Avenue Northwest. The seller for that deal was a venture of Canyon-Johnson Urban Fund and Lowe Enterprises, and Morris Manning & Martin LLP scored work on the matter as counsel to Lowe Enterprises.

The only California deal on the list, the seventh-largest deal of the year, came in at an even \$300 million.

In that deal, struck in December, Carey Watermark Investors 2 Inc. bought the Ritz Carlton San Francisco from a joint venture of Thayer Lodging, Brookfield Asset Management and MetLife. Counsel information for the buyer and seller was not immediately available. Morris Manning guided Thayer Lodging on a \$115 million loan the company scored from HSBC Bank USA.

MoFo picked up work on the eighth-largest deal of the year, which saw Ryman Hospitality Properties buy a minority stake in Gaylord Rockies Resort and Convention Center in Aurora, Colorado, from a joint venture of RIDA Development and Ares Management. That deal valued the property at roughly \$286.7 million.

MoFo's Jeffrey J. Temple represented RIDA, which also had local counsel from Rita M. Connerly of Fairfield & Woods PC, while Andrew Shapiro of Shapiro & Gellert PLLC guided Ares.

F. Mitchell Walker Jr., Lori B. Morgan, Jason S. Lewallen and Felix R. Dowsley III of Bass Berry & Sims PLC and Nelson F. Migdal of Greenberg Traurig LLP guided Ryman.

That property, which is slated to have 1,507 rooms, is the largest U.S. hotel currently being built.

Manhattan only made the top 10 thanks to the Hotel Chelsea trading hands in October for \$250 million.

A venture of BD Hotels and Sean MacPherson bought that property from a venture of Chelsea Hotels and Wheelock Street Capital, a deal Holland & Knight LLP scored work on.

Holland & Knight's M. James Spitzer Jr., Gary L. Schoenbrun, Thomas W. Brooke, William F. Machen and Kevin J. Neveloff worked on that deal as counsel to the buyer joint venture.

Meanwhile, Fried Frank Harris Shriver & Jacobson LLP and Sullivan & Cromwell LLP also got work on that matter as counsel to the seller venture.

Morris Manning landed work on the final deal on the list, representing Hyatt Hotels Corp. in connection with its roughly \$229.4 million purchase of a Miami Beach, Florida, hotel from a joint venture of Geolo Capital, Greenoaks Capital Management, Downtown Properties and CCL Holdings, according to Real Capital Analytics' data.

Morris Manning's Carol W. King worked on that deal for Hyatt.

And MoFo also got work on that deal, working on the transaction as counsel to the seller venture.

--Additional reporting by Shayna Posses, Matthew Perlman, Joyce Hanson and Fola Akinnibi. Editing by Mark Lebetkin and Catherine Sum.

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