

Over A Dozen Firms Guided 2016's Top Real Estate Deals

By **Andrew McIntyre**

Law360, New York (January 19, 2017, 5:35 PM EST) -- More than a dozen law firms grabbed work on the 10 largest U.S. real estate deals of 2016, a year that saw New York continue to lead, with transactions involving Manhattan office buildings taking eight spots on the list.

Buyers and sellers looked to a variety of law firms — not all New York-based — for help with the purchase, sale and financing of trophy properties in 2016. Among those, Fried Frank Harris Shriver & Jacobson LLP, Kelley Drye & Warren LLP and Stroock & Stroock & Lavan LLP were particularly active.

The 10 Priciest Properties Sold in 2016

| Property | City | Price |
|----------------------------|---------------|---------|
| 11 Madison Avenue | New York | \$2.60B |
| Fashion Show Mall | Las Vegas | \$2.50B |
| 1095 Sixth Avenue | New York | \$2.35B |
| Former McGraw-Hill HQ | New York | \$2.29B |
| 10 Hudson Yards | New York | \$2.15B |
| 787 Seventh Avenue | New York | \$1.94B |
| Citigroup HQ | New York | \$1.88B |
| Borgata Hotel Casino & Spa | Atlantic City | \$1.80B |
| News Corp Building | New York | \$1.75B |
| PaineWebber Building | New York | \$1.65B |

The only non-New York deals in the top 10 involved a retail property in Las Vegas and an Atlantic City casino, according to data from Real Capital Analytics, which ranks deals by value of the entire building, even if only part of the building traded hands.

Of the New York deals, five were tightly bunched in Midtown Manhattan, with four involving buildings on a half-mile stretch of Sixth Avenue — also known as Avenue of the Americas — and a fifth close by.

The year's largest deal came in August, when SL Green sold a 40 percent stake in 11 Madison Ave. to PGIM Real Estate, a division of Prudential Financial Inc., in a deal that valued the building at a whopping \$2.6 billion.

Stephen L. Rabinowitz of Greenberg Traurig LLP and Julian S.H. Chung of Fried Frank grabbed work on that matter as counsel to SL Green, with Greenberg handling the sale and Fried Frank working on financing matters. Prudential was represented by Minta E. Kay of Goodwin Procter LLP.

Counsel from Greenberg, Fried Frank and Goodwin couldn't be immediately reached for comment.

The second-largest deal of the year saw TIAA-CREF pick up a 50 percent stake in the so-called Fashion Show Mall in Las Vegas from General Growth Properties Inc. in a transaction valuing the property at \$2.5 billion.

TIAA bought that stake, the only retail transaction among the top 10 deals of 2016, in July, and it was not immediately clear which law firms handled that matter.

New York grabbed the spotlight for most of the remaining deals in the top 10, and Skadden Arps Meagher Slate & Flom LLP grabbed work on the third-largest: Real Summit Investment's purchase of a 49 percent stake in 1095 Sixth Ave. from a venture of Callahan Capital Partners and Ivanhoe Cambridge Inc., which valued the building at \$2.353 billion.

Skadden's Audrey L. Sokoloff worked on that deal, although it was not immediately clear from public records which party she represented, and Sokoloff couldn't be immediately reached for comment.

The fourth-largest transaction in 2016, also a Manhattan matter, saw a venture of Invesco Real Estate and China Investment Corp. reach a deal late in the year to buy a 45 percent stake from CPP Investment Board in 1221 Sixth Ave., which was formerly the McGraw-Hill Building.

Counsel information for that transaction, which pegged the building at \$2.29 billion, was not immediately available.

Mayer Brown LLP grabbed work on the next deal on the list, helping Allianz Real Estate of America buy a 44 percent stake in Manhattan's 10 Hudson Yards from a venture of Kuwait Investment Authority, JPMorgan Chase & Co., Oxford Properties Group and The Related Cos.

Paul E. Meyer of Mayer Brown represented Allianz, while a team of lawyers at Fried Frank represented Coach Inc., which did a \$707 million sale-leaseback in connection with Allianz's purchase. The seller venture, meanwhile, had counsel from Stroock & Stroock & Lavan's Steven P. Moskowitz, Diana Brummer and Jeffrey D. Uffner.

That transaction put the value of the tower at \$2.15 billion, making it the fifth-largest deal of 2016 and the last of the deals in 2016 where the building was valued at more than \$2 billion.

Coming in just shy of \$2 billion was the \$1.94 billion trade of 787 Seventh Ave. in New York, a matter a trio of law firms scored work on.

Buyer California Public Employees' Retirement System had counsel from Alan J. Pomerantz and Caroline A. Harcourt of Pillsbury Winthrop Shaw Pittman LLP, while Kelley Drye's Robert D. Bickford Jr., W. Christian Drewes, Stacey Daniel and Michael H. McMahon counseled seller AXA. Deutsche Bank had counsel from William P. McInerney and Bonnie Neuman of Cadwalader Wickersham & Taft LLP.

That deal was the largest of the first half, with all the deals north of \$2 billion happening in the second half of 2016.

Meanwhile, Fried Frank grabbed work as counsel to Citigroup Inc. when the bank decided last year to buy back its headquarters at 388-390 Greenwich St. in New York, a deal worth \$1.88 billion, according to Real Capital Analytics.

Fried Frank's Jonathan L. Mechanic and Meyer Last represented Citi, while seller SL Green opted to handle that deal in-house.

The only hotel deal among the top 10 was MGM Resorts International's purchase from Boyd Gaming Corp. of a 50 percent stake in the Borgata Hotel Casino & Spa in Atlantic City, New Jersey. That transaction, which put the value of the property at \$1.8 billion, saw three law firms pick up work.

Munger Tolles & Olson LLP's Kevin S. Masuda, Jennifer M. Broder and Kimberly D. Omens guided MGM Resorts, while Fox Rothschild LLP's Nicholas Casiello Jr., Daniel S. Ojserkis, William J. Downey III and Patrick Madamba Jr. acted as New Jersey as well as gaming regulatory counsel for MGM Resorts; Boyd Gaming used Morrison & Foerster LLP for the deal.

The ninth-largest deal of the year saw Ivanhoe Cambridge and Callahan Capital Partners buy a stake in the News Corp. building in Manhattan from Beacon Capital Partners, a deal that valued the building at \$1.75 billion. Counsel information for that deal was not immediately available.

Meanwhile, a quartet of law firms grabbed work on the final deal on the list, RXR Realty LLC and C&K Properties LLC's \$1.65 billion purchase of 1285 Sixth Ave. from a joint venture of AXA Financial and JPMorgan. AXA was also the seller of 787 Seventh Ave., which shares a city block.

Gibson Dunn's Harry R. Silvera, Victoria Shusterman and Mark S. Pecheck represented RXR, and the buyer venture also had counsel from Fried Frank's Meyer Last, Robert Sorin, Jennifer A. Yashar and Richard A. Wolfe. Bickford of Kelley Drye counseled AXA, while Steven Horowitz of Stroock & Stroock & Lavan represented JPMorgan.

Bickford, thanks to his work on a pair of top 10 deals for AXA, was named one of Law360's real estate MVPs for 2016.

--Additional reporting by Matthew Perlman, Joyce Hanson, Braden Campbell and Shayna Posses. Editing by Mark Lebetkin and Emily Kokoll.