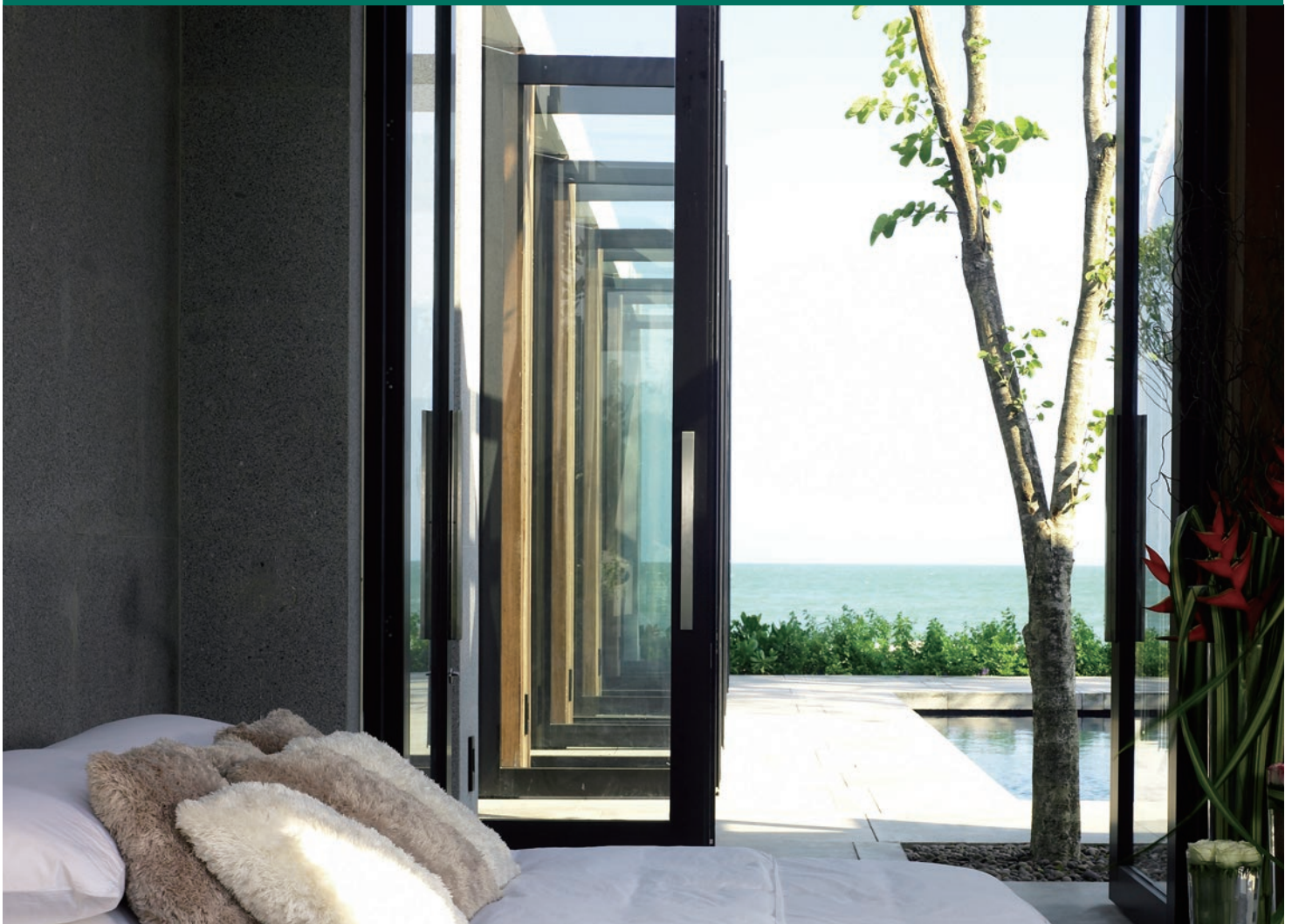


Hospitality and Leisure in Asia

Relax...

From development to post-opening operation, count on us to understand your hospitality and leisure business in Asia.



HOSPITALITY AND LEISURE IN ASIA

The first half of 2009 has been very challenging for the hotel industry in Asia. The toxic mix of the global economic crisis and swine flu have caused dramatic drops in occupancy rates and RevPAR for hotels in most parts of Asia. On the development side, investors have proceeded with more caution or in some cases been forced to place their projects on hold. Many are looking to see if market sentiment will improve and liquidity will return to enable investors to secure the much needed development financing. Despite this back-drop, there are still a number of hotel development projects continuing, especially in China and Vietnam. In China, the huge investments in infrastructure and the anticipation of the 2010 World Expo in Shanghai have resulted in a large pipeline of projects coming on stream. In Vietnam, tourism continues to grow although it is anticipated that this growth will be slower than in previous years. Thailand remains “troubled” but will hopefully emerge again soon as one of Asia’s favourite tourist destinations.

In 2009 alone, Mayer Brown JSM has advised on more than 25 hotel projects for developers and high-profile investors and operators in Asia. Many of these projects were dormant in the first quarter of 2009 but the majority have regained some momentum in the third quarter. It is anticipated that with the recent signs of improvements, at least in Asia’s economy, investors and developers will gradually regain confidence to further invest in the Asian hospitality industry.

We have been privileged to advise on many hotels that have either recently opened in the last year, or are expected to open within 2009. These include:

- Crowne Plaza, Causeway Bay, Hong Kong
- Hyatt Regency Tsim Sha Tsui, Hong Kong
- Hyatt Regency Shatin, Hong Kong
- The Upper House, Hong Kong
- W Hong Kong
- The Opposite House, Beijing
- Peninsula Shanghai
- Crowne Plaza West Hanoi
- Hilton Niseko
- Radisson Plaza Panwa Beach Resort, Phuket

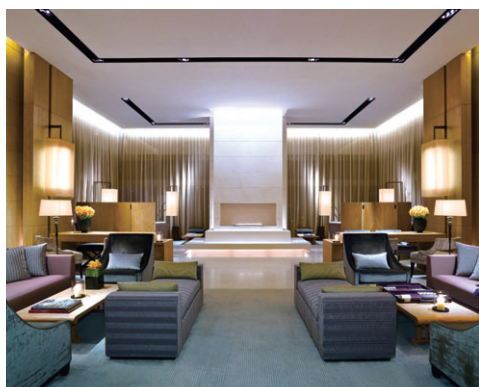


Radisson Plaza Panwa Beach Resort, Phuket

THE DEVELOPMENT LIFE CYCLE

We draw on the experience of over 30 partners and consultants in our team to provide comprehensive legal services across the development life cycle. No matter where you are in the cycle, we can help.

Property/Hotel Acquisition	Real Estate Finance	Hotel Operations and Appointment of Operators	Planning, Environment & Construction	General Commercial	Dispute Resolution
<ul style="list-style-type: none"> • property/hotel acquisition • government and regulatory approvals • planning permits and approvals • procurement and tendering • land acquisition • land use issues • land title issues • hotel/serviced apartment user issues • other planning issues • joint venture establishment and structuring (if required) <ul style="list-style-type: none"> » joint venture agreements » shareholders' agreement » subscription agreements » corporate documents » sale and purchase documentation 	<ul style="list-style-type: none"> • consideration of investment alternatives • local and off – shore finance arrangements • government and regulatory issues • enbloc or strata title sale of retail units and serviced apartments (if applicable) • leasing of retail units (if any) in the hotel • hotel REITs and securitizations 	<ul style="list-style-type: none"> • review and negotiate letters of intent (“LOI”) and/or Term Sheets from operators • review the suite of documents from operators including: <ul style="list-style-type: none"> » hotel management agreement » technical services agreement » licence agreement » centralised services agreement (collectively, “hotel agreements”) • negotiate terms of the hotel agreements with operator • board resolutions and approvals of owner • execution of hotel agreements • translation and registration of hotel agreements (if required for registration under local law) • obtain all licenses and approvals for operation 	<ul style="list-style-type: none"> • licensing permits and approvals • tendering procedures • appointment of contractors and consultants • construction agreements • project management agreements 	<ul style="list-style-type: none"> • company secretarial matters • company formation insurance • tax • supply contracts • staff manuals • employment contracts • pension and retirement schemes • IP registration and enforcement • trade mark registration • hotel licensing • liquor licensing • franchise contracts • service contracts 	<ul style="list-style-type: none"> • construction <ul style="list-style-type: none"> » contentious and non-contentious • general commercial disputes • employee disputes • insurance-related claims • disputes with suppliers



The Upper House, Hong Kong

“This ‘high quality firm’ has a formidable team covering the full spectrum of real estate-related matters”

Chambers Asia, 2009

PROPERTY/HOTEL ACQUISITION/DEVELOPMENT

Whether under a booming economy or the current environment, it is essential for investors and developers interested in hotel development to seize the opportunities whenever they arise and to conclude a transaction speedily and fruitfully. With good planning and the assistance of an experienced legal team, these transactions can be conducted efficiently and in a cost-effective way.

How we can help

Mayer Brown JSM has one of the largest Hospitality & Leisure teams in Asia, having acted on over 2,000 hotel matters in the region over the last decade. We regularly assist clients to acquire hotels and property for hotel development projects.

We provide comprehensive legal services for hotels, resorts and mixed use developments. We are experienced in large scale projects involving residences, serviced apartments, office towers, boutique premises, shopping malls and private clubs. Our extensive track record in the region includes casino projects in Macau, golf residences in Vietnam and acquisition of islands for development in Thailand and other parts of Asia. With offices located in 21 locations in Asia, Europe and the Americas, we are able to offer clients access to local market knowledge on a global basis.

“Real Estate Law Firm of the Year”

Asian Legal Business Hong Kong Law Awards, 2009

Some of our important transactions in acquiring land and hotels for hotel development projects across Asia include:

Hong Kong and Macau

- **Hong Kong Skycity Marriott Hotel**, on the second airport hotel project of the Airport Authority Hong Kong at Hong Kong's International Airport.
- **Langham Place**, on the development of this mixed use development for Great Eagle Group, comprising a 665-room 5-star hotel, a 15-storey shopping mall and a Grade A office tower.
- **Majestic Hotel and Majestic Centre**, on the acquisition of the hotel and centre in Kowloon, Hong Kong for a real estate fund where the transaction was structured in the form of the acquisition of two BVI companies which indirectly own the hotel and centre through two Hong Kong companies.
- **Mandarin Oriental, Macau**, acting for Shun Tak Holdings Limited on the sale of its shares in the company owning Mandarin Oriental Macau to its affiliates, Sociedade de Turismo e Diversoes de Macau S.A.
- **Mixed use development in Macau**, on a joint venture between Hongkong Land and Shun Tak Group to develop and manage a mixed use project including a 200 plus-room hotel to be managed by Mandarin Oriental Hotel Group, residential, retail, and serviced apartments at a prime site in Macau.

Mainland China

- **Dazhongli project, Shanghai**, on a joint venture between Swire Properties Limited (“Swire”) and HKR International Limited, in relation to a 3.12 million sq.ft. mixed use development landmark project at Jing’an District, Puxi, Shanghai (also known as Dazhongli), comprising residential and serviced apartments, office tower, hotels, boutique hotels, retail premises, shopping mall and a private club.
- **Taikoo Hui in Guangzhou**, on a joint venture between Swire Properties Limited and Guangzhou Daily News to develop this 4 million sq. ft. mixed used development which includes hotels, retail, offices and cultural facilities.
- **25 hotels in China**, on an agreement for a global investment manager and a private equity firm with a global hotel company to develop at least 25 hotels in China. The deal was one of the largest hotel transactions in Asia Pacific in 2007.
- **A hotel in Chengdu**, on an acquisition by a US corporation of a hotel and block of apartments in Chengdu, China.



Hyatt Regency Danang Residences

- **Real estate project in Beijing**, on an acquisition of a project in Sanlitun in Beijing for a leading real estate developer.

Thailand

- **TGR Group**, advising on Thai law matters on their resort project with Jumeirah.
- **MBK plc.**, on a THB 3 billion investment for a luxury hotel, residential project and a golf course development spanning 2006 to 2010. The new hotel will be a five-star hotel with 200 rooms located on the southern island of Koh Samui.

Vietnam

- **Hotel projects in Vietnam**, on land acquisition and joint management agreements for hotel resort projects in Vietnam including a recent transaction with the Six Senses group.
- **Hyatt Regency Danang Residences, Vietnam**, on development, ownership restructuring, rental programme and strata sale by Indochina Land Holdings 2 LP of a development comprising a 5-star luxury resort, 174 condominiums and 27 villas in Danang, Vietnam.
- **Nam Hai**, on land acquisition, development, ownership restructuring, management and strata sale by Indochina Capital Corporation of this 5- star resort and villa complex developed for high-end tourists in Vietnam.

REAL ESTATE FINANCE

In addition to conventional financing techniques, REIT financing transactions have spread to Asia in the past few years. We have also seen the emergence of lodging related REITs either as part of a diverse portfolio of assets or as a single asset class.

How we can help

Mayer Brown JSM regularly advises banks/syndicates on financing the acquisition of hotels, resorts, mixed use developments, pleasure and luxury cruise ships and on financing the working capital needed by owners and investors. We assist on lodging REITs, franchising, closed financings and re-financings of hotels and resorts in Asia. Our team also advises on corporate restructuring insolvency matters, debt restructuring and the re-possession of hotels.

Debt Capital Markets Deal of the Year - Champion REIT

Asian Legal Business Hong Kong Law Awards, 2009

Some of our notable experience in real estate finance includes:

- Acted for **Bank of China (Hong Kong) Limited** in the term loan facilities of HK\$700 million for City Garden Hotel, North Point, Hong Kong.
- Acted for **Bank of China (Hong Kong) Limited** in the second supplement for City Garden Hotel, North Point, Hong Kong.
- Acted for **The Bank of East Asia, Limited** in the HK\$500 million term/revolving loan facility for the Gold Coast Hotel in Castle Peak Bay, Hong Kong.
- Acted for **Hang Seng Bank** in the HK\$1.2 billion revolving loan facility for Langham Place Hotel, Hong Kong.
- Acted for **HSBC** in a HK\$1.183 billion loan facility in relation to the acquisition by an investment fund of Majestic Hotel and Majestic Centre at No. 348 Nathan Road, Hong Kong.
- Acted for **HSBC** in the HK\$190 million term loan facility for the proposed hotel development at Nos. 35-43 Ivy Street, Tai Kok Tsui, Hong Kong.
- Acted in the secured acquisition and development financing of HK\$112 million of a boutique hotel in Wan Chai, Hong Kong.
- Acted in the secured acquisition and development financing of HK\$102 million of a boutique hotel in Sheung Wan area, Hong Kong.
- Acted for **HSBC** in the mortgage for a hotel in Macau.
- Acted for a **Thai property developer** in relation to seeking resort financing from a Thai financial institution.
- Acted for a **Singaporean fund** in conducting due diligence exercise, negotiating and preparing relevant agreements in relation to the proposed financing of hotels and resorts in Phuket, Thailand with a facility of up to US\$25 million granted to a company incorporated in Hong Kong which is a holding company of several companies in Thailand.

Financing the acquisition / development of hotels

- Chedi Hotel in Phuket
- “De Victoria”, a serviced apartment in Hong Kong
- Majestic Hotel in Hong Kong
- Park Hotel in Hong Kong
- Peninsula Shanghai
- Former Xin Hua News Agency building in Hong Kong (where Cosmopolitan Hotel is situated)
- Hotel/casino projects in Macau

Re-financing of existing loans for hotels

- Caravelle Hotel in Vietnam
- Conrad, Marriott and Island Shangri-La at Pacific Place
- Great Eagle Hotel
- Hyatt Regency
- Nikko Hotel
- Regal Group of hotels in Hong Kong
- Shangri-La Kowloon

- **Financing of theme park**, on a financing project for Ocean Park Corporation for its HK\$5.55 billion (approximately US\$712 million) redevelopment plan. The financing will be in the form of commercial loans from banks, part of which is supported by a guarantee from the Government and in the form of subordinated loans from the Government. The deal was named as “Asian Leisure Deal of the Year 2006” by *Project Finance International* magazine.
- **Mortgagee sale**, on the mortgagee sale of a portfolio of properties including a hotel construction site in Hong Kong.
- **Regal REIT** – the first hotel REIT in Hong Kong; Advising Regal Hotels International Holdings Ltd. in relation to the listing of Regal REIT on the Hong Kong Stock Exchange which involved the sale of five hotels in Hong Kong, namely, Regal Airport Hotel, Regal Hongkong Hotel, Regal Kowloon Hotel, Regal Oriental Hotel and Regal Riverside Hotel to Regal REIT for HK\$12.5 billion.
- **Second hotel REIT** in Hong Kong; Advising on the establishment of a hotel REIT to be listed on the Hong Kong Stock Exchange which involves the sale and leaseback of all of the vendor’s hotels in Hong Kong to the REIT. The investment strategy of this REIT is to seek other acquisition opportunities in the Hong Kong hotel sector which provide attractive yields and the potential for net asset growth.



Four Seasons and Four Seasons Place, Hong Kong

HOTEL OPERATIONS AND APPOINTMENT OF OPERATORS

The relationship of a hotel owner and an operator is usually long term and is vital to the success of a hotel. Finding a good match and beginning the relationship with a comprehensive and fair agreement will avoid many hassles and risks in the long run.

How we can help

Our clients are able to draw on our considerable experience, whether in understanding the commercial terms, negotiating complex documentation or developing creative solutions. We have also acted for some hotel operators to create templates and strategies for future hotel management agreements.

“Real Estate Firm of the Year for China”

Asian-Counsel, 2009

The Hospitality and Leisure team regularly advises on matters relating to the management of hotels, serviced apartments and villas.

Recent examples include:

Hong Kong and Macau

- Four Seasons and Four Seasons Place, Hong Kong
- Hyatt Regency, Shatin
- Hyatt Regency, Tsim Sha Tsui
- Ritz-Carlton, Hong Kong
- “W” Hong Kong
- The Landmark Mandarin Oriental
- Le Meridien Cyberport
- Novotel Citygate
- Banyan Tree Macau
- Jumeirah Macau

Mainland China

- Ascott Shanghai
- Crowne Plaza Zhongshan
- Four Points by Sheraton Sanya Bay Resort, Hainan
- Jumeirah Guangzhou
- Fortune Plaza in Beijing

- Grand Hyatt Shenzhen
- Ritz-Carlton Shanghai
- Sheraton Guangzhou
- The Opposite House, Beijing

Thailand

- Four Points by Sheraton Sukhumvit, Bangkok
- The Oriental Residences & Serviced Apartments, Bangkok
- Jumeirah Private Island Phuket
- Laguna Phuket, Thailand
- Sheraton Krabi Beach Resort
- Swissotel Nai Lert Park

Vietnam

- JW Marriott Danang, Vietnam
- The Nam Hai
- Hyatt Regency Danang

Japan

- Hilton Niseko

HOTEL, SUITE HOTEL AND SERVICED APARTMENT MANAGEMENT AGREEMENTS

Mayer Brown JSM has advised on over 50 hotel management agreement negotiations in the last few years, covering most of the major hotel and lodging chains. We have worked on projects involving over 40 brands, including:

Alila	GHM	Oberoi
Aman	Grand Hyatt	Peninsula
Anantara	Hilton	Radisson
Ascott	Hilton Garden Inn	Raffles
Banyan Tree	Holiday Inn	Regent
Capella	Jumeirah	Ritz-Carlton
Conrad	Kempinski	Shangri-La
Crowne Plaza	Langham	Sheraton
Days	Le Méridien	Six Senses
Dusit	Mandarin Oriental	Sofitel
Four Points	Marriott	St. Regis
Four Seasons	Millennium & Copthorne	Westin
Frasers Hospitality	Novotel	“W”
Furama	Oakwood	

LIST OF HOTEL OPERATORS

A list of hotel operator clients Mayer Brown JSM has acted for in the past few years includes:

Alila	Jumeirah	Raffles
Aman	Langham	Regal
Anantara	Outrigger	Starwood
Ascott	Peninsula	Swire
Dusit	Radisson	

“Mayer Brown JSM is ‘top choice for property matters in Thailand’”

The Asia Pacific Legal 500, 2008/2009

PLANNING, ENVIRONMENT & CONSTRUCTION, GENERAL COMMERCIAL AND DISPUTE RESOLUTION

Throughout Asia, hospitality and leisure projects attract high levels of regulation from the government. From the planning and construction phase, to employing staff and preparing for guests, even the most straightforward projects require detailed and up-to-date knowledge of applicable laws and best practice.

How we can help

Mayer Brown JSM is experienced in advising on, drafting and negotiating the full range of construction documents for developers, investor owners and contractors. We assist in pre-empting and resolving issues in relation to town planning, licensing and tax regulations. Our team also handles a range of dispute resolution processes for construction related disputes and disputes arising out of the operation of hotels. In addition, we advise on other industry related matters including REITs, securitizations, intellectual property, employment-related issues, company formation and other commercial matters.



The Opposite House, Beijing

Some of our important transactions in relation to planning, environment and construction include:

Construction advice

- Furama Resort, Danang, Vietnam
- Galaxy Casino, Macau
- The Westin Resort, Macau
- Luxury hotel in Guangzhou
- Luxury hotel in Shanghai

Drafting and negotiation of construction documentation

- Asia World-Expo at the Hong Kong International Airport
- Atrium Link extension, Hong Kong Convention and Exhibition Centre

- Cyberport, Hong Kong
- A theme park in Hong Kong

Town planning and planning regulatory issues

- Hotel concessions under the Buildings Ordinance and the Building (Planning) Regulations in Hong Kong
- Hotel accommodation tax and licensing issues under the Hotel and Guesthouse Accommodation Ordinance in Hong Kong
- Satellite television licensing issues for hotels in Hong Kong
- Owner and operator liabilities arising out of SARS type situations

Specific details of our dispute resolution matters must be kept confidential. Generically, however, we can say we have advised on the following:

Construction dispute resolution

- A luxury hotel in Thailand
- A resort in Vietnam
- A number of hotels in Hong Kong
- A luxury hotel in Mainland China

Rating and valuation disputes and appeals for a number of hotels in Hong Kong.

Insurance claims, on business interruption and third party liability claims for hotels, restaurants and insurers.

Rent review arbitration for a luxury hotel in Hong Kong.

“JSM’s illustrious reputation stems from decades of outstanding real-estate development and financing advice for Hong Kong developers and leading corporations.”

The Asia Pacific Legal 500, 2008/2009

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About JSM

JSM operates in association with Mayer Brown LLP and Mayer Brown International LLP. Mayer Brown is a leading global legal services provider with offices in major cities across Asia, the Americas and Europe. In Asia, we are known as Mayer Brown JSM.

We have approximately 300 lawyers in Asia, 1,000 in the Americas and 500 in Europe. Our presence in the world's leading markets enables us to offer clients access to local market knowledge on a global basis. We are noted for our commitment to client service and our ability to assist clients with their most complex and demanding legal and business challenges worldwide. We serve many of the world's largest companies, including a significant proportion of the Fortune 100, FTSE 100, DAX and Hang Seng Index companies. We provide legal services in areas such as litigation; corporate and securities; finance; real estate; tax; intellectual property; government and global trade; restructuring, bankruptcy and insolvency; and environment.

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