



Bolstered by a series of high-profile additions, Kirkland & Ellis' real estate group advised Anglo Irish Bank Corp. on the blockbuster sale of its \$9.5 billion U.S. real estate portfolio and repeatedly closed complex equity deals in a handful of days, earning it a place among *Law360's* Real Estate Groups of 2011.

Kirkland added several seasoned partners to its real estate group, most notably the team of Scott Berger, Jonathan Schechter and Andrew Shiner from White & Case LLP, which joined Kirkland in June. The firm also added Andrew Small and Rachel Brown from Katten Muchin Rosenman LLP and Edward Schneidman and William Levy from Mayer Brown LLP.

Small said the glut of high-profile hires signaled Kirkland's commitment to growing its real estate practice and led more real estate vets to join the firm.

"What made this so appealing beyond the existing platform was the way management brought in a broad group of talented people all at or about the same time," he said. "It was incredibly thoughtful, and it's immediately created a market impact that's really been tremendous."

While the new blood made an immediate impact on Kirkland's business, longtime partners Stephen Tomlinson and Jennifer Morgan led the way on the Anglo Irish Bank deal. Morgan said the deal was particularly complex because of the short window to complete the sale and the volume of bids Kirkland received for the eight pools of loans for sale.

Morgan said Kirkland began working with Anglo Irish Bank in June and closed the last sale Dec. 6. In August, the bank announced that private equity firm Lone Star Funds and banking giants Wells Fargo & Co. and JPMorgan Chase & Co. were the winning bidders for the loans.

Real Estate Group of the Year: **KIRKLAND**

"Figuring out what were actually the best offers and making them work was challenging, and we were able to do it against the backdrop of extremely turbulent global capital markets," Tomlinson said.

Because of the uncertainty in the global financial markets, the Kirkland group found itself consistently called on to work out complex deals. In September, Berger and Schechter led a Kirkland team that advised Starwood Capital Group on a joint venture with GFI Development Co. and a \$200 million debt and equity recapitalization of an Atlantic Yards development project in New York.

Schechter said the group was able to get both the equity and debt for the deal in place ahead of a tight deadline for GFI.

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"Due to a lack of financing, equity transactions are requiring more complex structures, and counsel has to act very quickly to fill the capital that's missing," he said. "Time becomes a huge factor in those situations."

Time was even more of a factor when Stonehenge Partners Inc. asked Kirkland to advise it on a proposed joint venture with New York real estate firm SL Green Realty Corp. just 10 days before the deal needed to close. Berger, who led the Kirkland group along with Schechter, said the firm was able to get the transaction done in a week and a half, and the venture acquired a \$500 million New York portfolio in a deal expected to close later this month.

Schechter said the Kirkland team's extensive experience with the capital provider side of deals gives them a stronger hand in negotiations. "We are able in negotiating to say: 'We rep-

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resent a ton of capital providers, and that [provision] is just not market,'" he said.

Though the group worked primarily on U.S.-based deals in 2011, it had several sizable transactions in foreign markets. Berger said he and Schechter led a Kirkland team that GID Investment Advisers LLC on a joint venture with OAS Empreendimentos SA to develop multifamily residential projects in Brazil after a local firm was unable to close the deal for GID.

"They brought us in to get the deal done in the last week and a half," Berger said. "One of our value-adds is deploying our U.S. capabilities and being able to match up with the appropriate counsel overseas."

The group has several large deals in the pipeline for 2012, including arranging the financing for a the development of a hotel property in Times Square under the Hyatt flag. Morgan, who is leading the Kirkland team in advising an unnamed sovereign wealth fund on the deal, said the firm has already helped arrange a \$150 million construction loan for the project.

Kirkland also has a full plate of real estate fund formations for a variety of sponsors. Tomlinson said the firm is involved with 31 fund formations and is leaning on the fund expertise of Schneidman and Kelly Ryan, who also joined Kirkland from Mayer Brown last year.

"[The new hires] have added a tremendous dimension to an already successful practice that has been very well-received by the market," he said.

KIRKLAND & ELLIS