



2015 Practice Group of the Year

Real Estate

With transactions trending larger and clients commanding quick executions, Kirkland & Ellis LLP's real estate group has proven itself this past year on several complex deals — including Starwood Capital Group's \$5 billion acquisition of a multistate apartment portfolio — and claimed a place among *Law360's* Real Estate Groups of the Year.

With a heavy focus on private equity and corporate real estate transactions, Kirkland's real estate team offers clients a deep bench of more than 50 attorneys who often draw on the firm's extensive resources in other practice areas, such as mergers and acquisitions, private equity, restructuring, litigation and tax.

"We work very closely with each of those practice areas, so while we're involved with nuts-and-bolts real estate deals, the kind of transactions we typically handle require multidisciplinary teams due to their complexity," noted New York-based partner Scott A. Berger. "The true depth of the real estate practice is much more significant than the 50."

In the past year, Kirkland's work has included numerous deals valued at more than \$1 billion, covering a variety of clients and properties.

At the top of the list was Starwood's execution, through an affiliate, of a definitive agreement to acquire an institutional-quality portfolio of 23,262 apartments in 72 communities nationwide from Equity Residential in October. Valued at \$5.365 billion, the fast-paced deal represented the largest nonhotel purchase by Starwood to date, according to Kirkland.

The firm was there advising Starwood when, along with Milestone Apartments Real Estate Investment Trust, it purchased Landmark Apartment Trust through a \$1.9 billion merger and secured control of Landmark's interest in 63 properties; and when Starwood closed on a 62-office-building portfolio from

Duke Realty Corp. through a joint venture with affiliates of Vanderbilt Partners and Trinity Capital Advisors, in an April deal valued at \$1.12 billion.

Kirkland also set the stage for Starwood's future investment, helping the company gather \$5.6 billion in capital commitments for Starwood Global Opportunity Fund X, the company's largest opportunistic real estate investment fund in its 20-plus-year history.

Meanwhile, GID Investment Advisers LLC relied on Kirkland to make a bid — though unsuccessful — for Gables Residential, a privately held REIT with a \$3 billion Class A Sun Belt portfolio that had been actively

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pursued by several companies in an intense, fast-paced competition, according to the firm.

On the merger front, Kirkland represented Sycamore Partners in its pending \$3 billion acquisition of Belk Inc.

The firm also counseled Caesars Entertainment Operating Co. Inc. — which owns and operates 44 gaming and resort properties in 13 states and five countries — on real estate matters related to its ongoing Chapter 11 restructuring, the largest public company filing of 2015, with \$18 billion of debt. Kirkland negotiated with CEOC's creditors on possible structures to spin off the company's casinos into a new company that would take REIT status and lease the casinos back to CEOC.

Kirkland's other notable work includes helping Ventas Inc. with its \$1.75 billion acquisition of Ardent Health Services and a related deal to sell a majority ownership share of Ardent's hospital operations for \$475 million; advising publicly traded REIT Equity Commonwealth on a \$1.15 billion credit agreement; steering Lennar Corp. in a \$1.1 billion joint venture that owns 20 properties through newly formed private REITs for each property; and counseling GTCR LLC and its portfolio company Capella Healthcare on its pending, \$900 million sale to Medical Properties Trust Inc.

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Trends toward large, complex, fast-moving real estate deals that often involve foreign capital have played directly into areas that Kirkland has focused on for many years, according to Berger and partner Jonathan Schechter.

“We’ve been very fortunate in that respect,” Berger said.

But the lawyers again pointed to the frequent collaboration between their colleagues — especially among the real estate attorneys in New York, Chicago and Los Angeles — as key to turning those opportunities into successes.

“Just given the various disciplines needed for our transactions it has to be very collaborative. If it wasn’t, we would not be able to deliver the service to our clients that they need,” Schechter said. “It’s an atmosphere of partners trying to make sure they bring the best team to every transaction.”

The real estate team’s focus and the extensive experience of Kirkland’s members, including representing a variety of clients on both sides of deals and knowing how to handle foreign capital, also helps the firm provide clients added value, Berger and Schechter said.

To stand out from the competition, Kirkland’s attorneys are always looking for opportunities to bring something beyond just the legal execution of the matter, whether through creative structuring or finding alternative resolutions to issues that arise, they said.

“It’s looking to and relying upon our significant experience with the matters in which we are involved to bring value to our clients,” Berger said. “Clients look for us to get the job done.”

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