

Real Estate Group Of The Year: Gibson Dunn

By Joshua Alston



Law360, New York (January 15, 2015, 8:31 PM ET) -- Gibson Dunn & Crutcher LLC's real estate group set its high-water mark in 2013, then surpassed it in 2014 with deals including a \$3.5 billion acquisition for Hudson Pacific Properties Inc., landing its second consecutive spot among Law360's Real Estate Groups of the Year.

Gibson Dunn had a gangbusters year in its real estate group, whose roughly 90 attorneys surpassed their record-breaking 2013 by a healthy margin. Gibson Dunn's second straight superlative year in real estate law was fueled in part by its representation of Hudson Pacific in the \$3.5 billion acquisition of 26 office buildings in northern California from a Blackstone Group LP subsidiary.

In a cash and stock deal, Hudson Pacific acquired Blackstone subsidiary Equity Office Properties' San Francisco Peninsula and Silicon Valley portfolio. The December deal was California's biggest real estate acquisition of the year and made Hudson Pacific the largest office REIT on the West Coast.

Gibson Dunn's Los Angeles headquarters is home to most of the real estate practice group, with about 40 attorneys. The group's second-largest concentration of talent is in its New York office, where about 30 real estate attorneys forge equally impressive East Coast deals. Gibson Dunn represented the Related Cos. in the \$1.3 billion acquisition of 1.1 million square feet in the Time Warner Center.

Related led the development of Time Warner Center, which was the first vertical, mixed-use facility of its kind in New York City when it opened in 2004 at Columbus Circle in midtown Manhattan. The complex, which also includes condominiums and the Mandarin Oriental luxury hotel, will lease office space back to Time Warner Inc. until 2019 as it prepares to decamp for the under-construction Hudson Yards tower.

The group's success wasn't just limited to massive markets like Los Angeles and New York, and its talents extend beyond commercial office space deals.

Marriott Hotels chose Gibson Dunn to handle the \$1.95 billion refinancing of the Atlantis Resort in Nassau, Bahamas, one of the year's largest and most complicated hotel franchise transactions. As a result of the deal, the Atlantis is now among the hospitality giant's Autograph collection of independent hotels.

Jesse Sharf, one of the practice group's co-chairs, told Law360 the firm's success has come as a result of

building deep relationships over time with clients like Marriott, Related and Hudson Pacific.

Sharf also attributed 2014's record success to the firm's strategic lateral hires, which he said made their already strong practice group that much stronger. The additions made real estate the third-largest practice within Gibson Dunn, Sharf said, and added to the breadth of knowledge and expertise that makes its real estate group unique.

"There are lots of firms that have a great debt practice, and we're one of them," Sharf said. "There are lots of firms that have the great investor and private equity practice, we're one of them. And there are a lot of firms that have a great operator and developer practice and we're one of them too. But I'd say we're the only firm that's top-tier in all three of those areas."

Sharf said the team is passionate and works hard to satisfy its clients, which can have positive ripple effects even beyond the client, even when the deal is on the smaller end of the spectrum.

Gibson represented Vail Resorts Inc. in the \$182.5 million purchase of a Utah ski resort from Powdr Corp. The deal ended a long-running legal dispute between Powdr and Talisker Corp., the landlord of Park City Mountain Resort. Talisker and Powdr litigated when Talisker sought money it claimed was due stemming from Powdr's failure to renew its lease for the property that houses the resort. Not only did the Vail deal, which closed in September, put the company on its way to creating the country's largest ski resort, an entire local industry relied on the deal, as the litigation threatened to shut down the current ski season.

Sharf said the group will likely stay at its present size in the new year, because Gibson tries to avoid growth for its own sake. But there could be additions if those will contribute to the array of knowledge Gibson's clients have come to expect from the firm's real estate practice.

"Our knowledge of the needs of lenders helps us represent borrowers, our knowledge of the needs of borrowers helps us represent lenders, our knowledge of the needs of investors helps us represent operators, and our knowledge of the needs of operators helps us represent investors," Sharf said. "I think we understand the market better than most of our competitors do, so we can offer clients that knowledge in addition to top-notch legal services."

--Additional reporting by Kurt Orzeck, Benjamin Horney and Lisa Ryan. Editing by Brian Baresch.
