

Real Estate Group Of The Year: Goodwin Procter

By Darcy Reddan

Law360 (February 5, 2018, 4:20 PM EST) -- Goodwin Procter LLP provided counsel across the real estate spectrum over the past year, from the \$2.2 billion sale of a New York City office space by Brookfield Property Partners LP to representing underwriters in Invitation Homes' \$1.8 billion initial public offering, landing the firm among Law360's Real Estate Groups of the Year.

The firm's real estate practice is comprised of approximately 150 lawyers with 60 partners and offices in Los Angeles, Silicon Valley, San Francisco, New York, Boston, Washington D.C., London, Germany, Paris and Hong Kong. Throughout the year, the firm has handled an array of matters focusing on real estate transactions, forming funds for transactions and also real estate investment trust IPOs.

"We are highly integrated. While we each have different expertise, we are able to embrace the industry as a whole the way we do because we have various processes for sharing data and for sharing information internally," Minta Kay, Goodwin partner and chair of the firm's real estate group, told Law360.

The firm's work the past year includes representing Brookfield Property Partners LP in the \$2.21 billion sale of 245 Park Ave. to Chinese conglomerate HNA Property Holdings. The deal, which closed in May, featured one of the highest price tags for a New York City skyscraper.

While the firm works on high-value transactions, there is more to the practice than hammering out the details between buyers and sellers.

"We embrace the industry from start to finish and that's not common," Kay said.

Kay said the firm does not have generalists that cover all three of the practice's key areas. Instead the firm keeps divisions but they maintain a flow of relevant institutional knowledge between them in order to facilitate a cohesive environment, she said.

In February, various teams within the practice assisted with the firm's representation of an underwriting syndicate consisting of 17 banks in an \$1.8 billion IPO for Blackstone Group LP's Invitation Homes Inc., a



REIT with a portfolio of rental properties purchased at bargain prices after the financial crisis.

The IPO was the second largest ever for a REIT. Invitation Homes priced 77 million shares at \$20 apiece, near the top of an expected \$18 to \$21 per share price range and raised \$1.54 billion initially, with the rest of the \$1.8 billion, 11.6 million shares, being purchased by underwriters during a 30-day window. In 2014, the firm also advised the largest REIT IPO, representing Paramount Group Inc.'s \$2.3 billion offering.

One of the most highly structured real estate transactions the firm worked on this year was representing Forest City Realty Trust Inc. in the October sale of 10 U.S. shopping centers that are worth \$3.2 billion to Queensland Investment Corp.

Kay said that although Forest City is a public company, this was a private transaction that called for a deep tax bench.

While the firm is staffed with experienced lawyers, Goodwin partner Gil Menna pointed out that deals that appear to be standard transactions can have more obstacles when dealing with major assets.

One deal that took longer to be finalized was the \$830 million acquisition of CNL Lifestyle Properties Inc. by EPR Properties and Och-Ziff Real Estate. Menna said the deal was held up because the Queen of England had to consent to the sale of a Canadian ski resort that was included in the portfolio because she had the ground lease.

Menna told Law360 that one of the most important attributes of being a real estate lawyer is understanding the risk profile of the clients.

He said one of the hardest parts of being a lawyer in the real estate practice is “measuring the risk tolerance of whose capital you are deploying in that particular transaction, not only with respect to the underlying economics of the deal, but the terms of the deal as well.”

For Kay, she believes real estate attorneys should be quick to act while keeping clients' interests in mind while looking for solutions.

“It’s very important to be nimble, keep one’s eye focused on a client's business goals and be very practical in problem solving or devising a message to achieve those goals,” Kay said.

--Editing by Alyssa Miller.