

## Real Estate Group Of The Year: Kramer Levin

By **Andrew Karpan**

*Law360 (December 21, 2020, 4:49 PM EST)* -- Real estate was among the industries immediately displaced by the coronavirus pandemic, which forced deal makers at Kramer Levin Naftalis & Frankel LLP to act quickly to work out their client's share in creating the largest casino and entertainment company in the U.S. and earned the practice a spot among Law360's Real Estate Groups of the Year.

Jay Neveloff, chair of the real estate practice at Kramer Levin, told Law360 that he finds the smooth rhythms of deal-making comforting in stressful times. He recollected a scene from earlier in his career when he was working on a project in Chicago with Sam Zell, the private investment billionaire, during the morning of 9/11.

"[It was] a form of escape from this unmanageable situation," Neveloff says.

Today's stressful situation is a pandemic that has closed the doors of casinos and hospitality businesses around the world and killed more than 300,000 people in the U.S. alone, according to the Centers for Disease Control and Prevention. Neveloff said what is keeping Kramer Levin's real estate practice busy these days is finding ways to get clients to negotiate reusing properties "that aren't going to go back to profitability."

"The industry is under siege," Neveloff says, though he adds: "as a deal junkie, it's fascinating."

Lawyers at Kramer Levin put their skills to work this year for client Vici Properties Inc. and helped the real estate investment trust close on a \$3.2 billion deal that included, among other things, a series of sale-leaseback transactions involving Harrah's New Orleans, Harrah's Laughlin and Harrah's Atlantic City as well as adjustments to its existing lease agreements with Caesars Entertainment Inc., in the midst of the latter's planned \$8.6 billion cash-and-stock sale to Eldorado Resorts.

Elsewhere in the world, the firm has a longstanding relationship with the Japanese real estate developer Mitsui Fudosan and represented the company in deals totaling more than \$2.5 billion. Most recently, these have included a deal with Tishman Speyer and the San Francisco Giants involving a new San Francisco development called Brannan Square.



A longtime titan of New York's real estate scene, Neveloff says that a large component of the job also comes down to keeping up with the market's moving locations and with word-of-mouth among landlords and realtors.

Much of the practice's recent work in the city has involved turning some of the city's beloved historic buildings into condominiums.

Over the past year, the firm highlights the ongoing work it has done representing China's Dajia Insurance Group in its lengthy project of converting the Waldorf Astoria New York into a mixed-use condominium, after the Chinese financial services giant bought the art deco landmark from the Blackstone Group in 2014.

Elsewhere in New York City, Kramer Levin represented the Nederlander Organization in a deal that sold off a chunk of the century-old Palace Theatre to mixed-use real estate developers.

Lately, however, New York City is looking westward, Neveloff said.

He said Kramer Levin has been at the forefront of developing Hudson Yards, the enormous real estate development located in the far western neighborhood of midtown Manhattan.

In the past year, the firm helped the Related Cos. LP on a \$2 billion leaseback deal with Warner Media at one of the office towers in the new development. The same year, lawyers at Kramer Levin also helped the same building close on a 500,000-square-foot conveyance deal with Wells Fargo.

"[It's] another example of how we get involved in different aspects in the same project," Neveloff said.

Neveloff calls what his firm does "a dirt practice," a phrase he means literally — deals that trade in concrete that rises from the ground and involves maintaining day-to-day business operations.

"These aren't transactions where you're just buying and selling, you really have to look at the asset itself. You're looking at the property and you're looking at the value of the hospitality operation in that property," Neveloff said.

Neveloff also touted Kramer Levin's real estate practice's extensive experience with multiple sides of real estate transactions, from borrowers to lenders to private equity investors.

"This is a part of the world where you've got to be thinking outside of the box. It's not just what the documents provide, you have to be thinking beyond the documents," he said.

--Editing by Nicole Bleier.