



# Corporate Real Estate

the best legal structures for your business



howard kennedy



# Market insight

Real estate usually implies physical structures, such as commercial, retail, residential and hotel developments. It is well known that such assets need to be developed and managed appropriately. Just as important, however, are the corporate structures behind the real estate business function itself.

Corporate structures need to be created and evolved efficiently in order to expand any physical asset portfolio. We provide practical advice for companies, individuals, investors and banks. Our experience means that we can help you secure the long-term growth and success of your real estate interests.

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## Increased International Investment

In recent years the UK real estate market experienced a surge in overseas investment with market studies indicating that over half of all investment in UK real estate came from overseas buyers.

An abundance of commercial and residential property coming to the market provides steady returns in what continues to be a low yield environment for investors across many other asset classes.

## Popular Asset Classes

We are seeing pockets of major activity in the market, particularly in the demand for commercial warehouse units, for as retailers move online, the demand for storage increases. Hotel real estate has cemented its position as a mainstream asset class and the pool of investors and lenders seizing the opportunity to fund hotel acquisition and development activity across the UK has widened significantly.

Other emerging asset classes, such as student accommodation, flexible workplaces, shared living and supported living, which do not follow traditional supply and demand patterns, have been especially popular over the last year and are experiencing a boom. There is still strong demand for “trophy assets,” particularly among foreign investors, and competition is strong when these properties come to market.

“London continues to attract new investment, both domestic and from abroad. We work with developers, funds, banks and high net worth investors, especially from overseas, on many signature developments. Our key expertise in the hotel and restaurant sectors has also allowed us to develop an invaluable insight into the drivers for the consistent growth in the sectors.”

**Paul Glassberg, Partner, Howard Kennedy**

“We focus on providing the full range of corporate and tax advice to real estate clients ranging from developers and funders to investors.”

**Anthony Hunt, Partner, Howard Kennedy**

# Our service

We are a 15 strong Corporate Real Estate team of Partners, Legal Directors and Associates. The Corporate Real Estate team can draw upon the support of our wider M&A, tax, employment and commercial lawyers as well as our real estate practice, which is one of the largest in London.

Our team acts for a wide range of clients, from individual entrepreneurs to corporates, developers, investors, joint ventures, intermediaries and funders, including private equity, venture capital and debt providers.

We have particular expertise in advising developers on the full range of site assembly, corporate structuring and joint ventures for large scale developments.

We can advise on the negotiation of joint venture and collaboration agreements, project management and development management agreements, sales and marketing agreements for developers, investors, equity and debt funders and asset management agreements.

We are able to provide you with extensive project management support on all aspects of your corporate real estate transactions.

## Our services include:

- Corporate structuring and associated regulatory advice in relation to fund structures.
- Corporate due diligence for acquisition and investments and on financings and refinancings .
- Corporate sales and purchases with property assets for our developer clients and their various co-venturers.
- High end residential property transactions through corporate vehicles, often for international clients, family offices and high net worth individuals.
- Drafting and advising on joint venture documentation (including by way of LP, LLP, shareholder agreement and contractual JV) between various real estate clients plus associated constitutional documentation.
- Extensive experience of operating, management and franchise agreements.

# Our Experience

Our team has broad experience across the entire range of real estate asset classes but has a particular reputation and specialism in the hotel, restaurant, leisure and retail sectors.

## Relevant work has included advising

- The purchase via on and offshore corporate structures of existing and pre-development residential and commercial sites and hotels in and around London and the M25 for a listed German fund with well over EURO.5Bn of assets under management, including being part of its bid team for two recent trophy landmark portfolio bids .
- The Euston Regeneration Partnership Limited on the admission of an additional development company, Argent, into the joint venture seeking to develop the land around Euston Station.
- An investment fund on its acquisition of 43 Brook Green, an office building in Hammersmith, for an undisclosed sum.
- An Israeli investor on the £101m acquisition of Fox Court, a 103sq ft office in Central London.
- Pandora Jewellery UK Limited, a UK subsidiary of the Danish brand, in connection with acquisitions of various concept stores from franchise partners to grow the number of owned and operated stores.
- Fairview Hotels, a large hotel owner and operator, on three acquisitions on part of its continued expansion programme.
- Extensive range of other hotel transactions involving acquisitions, disposals, operation, management, asset management and franchising with major hotel brands including IHG (Holiday Inn), Accor, Park Inns, Starwood, Hyatt, Four Seasons and Hilton.
- Galliard Group on a joint venture to secure development funding from Cain Hoy Enterprises, established with the support of and a minority investment from, Guggenheim Capital, the parent company of Guggenheim Partners, the global investment and securities firm.
- First Base on its joint venture funding with JP Morgan, including the development management agreement for its Islington development.
- High net worth investors on the acquisition of a prime central London site for development and then onward lease for tenant to operate as a boutique hotel .
- The set up and joint venture arrangements for Alan You concept restaurant, Yamabahce, in Marylebone.
- A Middle Eastern ultra high net worth family on the hotel and commercial redevelopment of Tobacco Dock.
- A Cain Hoy/Galliard joint venture company on the purchase of a Mayfair landmark for £85m.
- The innovative real estate crowd funding platform Crowd with Us on its launch in 2016, including the legal structure of the website, the legal agreements that investors enter into, the model articles for the SPVs and its regulatory relationship with its hosting firm.
- Ballymore Properties Limited on its Opco/Propco Management Buyout.

# Key contact



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“The team delivers a responsive, cost-effective service to us, and has provided commercially driven, clear and appropriate advice on matters. They provide a complete corporate service, with input from specialists as required, and they are highly competent and professional.”

**Chambers UK 2019**

“Widely recognised as a market leader in the retail and hospitality sectors.”

**Legal 500 2018**