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TOP DEALMAKERS—CONSTRUCTION FINANCE—FINALIST

Attorneys Leads Long-time Client to Loan for Big Growth at Aventura Mall

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Jack Kessler of Buchanan Ingersoll & Rooney, Fort Lauderdale, Florida. *Melanie Bell*

Jack J. Kessler

Buchanan Ingersoll & Rooney

Buchanan Ingersoll & Rooney shareholder Jack J. Kessler represented Turnberry Associates in securing a \$213.5 million loan that the real estate development firm is using to fund a 315,000-square-foot expansion of Aventura Mall, the largest mall in Florida with 2.7 million square feet of retail space.

"Anytime you have a property like this, the financing for the expansion has to be carefully integrated with the mall's existing loan," Kessler said. "That presented a lot of challenges from the lending and banking compliance perspective. That is what made this deal more unique."

Kessler also had to deal with a group of lenders led by JPMorgan Chase Bank, which added a layer of difficulty due to the tight market for large construction loans. The Fort Lauderdale lawyer served as the point person for Turnberry, maintaining regular contact with the lenders' legal counsel and working with them to negotiate loan terms that accounted for all facets of the expansion. Rebecca Lando, chairwoman of the firm's financial institutions practice based in Pittsburgh, was Kessler's co-lead counsel.

Turnberry sought the loan while facing fierce competition from new and existing malls. Miami's mixed-used Brickell City Centre and Miami Worldcenter are both building large retail segments, while a mall at the large-scale Dania Pointe off Interstate 95 in Dania Beach could siphon away shoppers from southeast Broward County who now visit Aventura.

Turnberry, which co-owns the Aventura with Simon Property Group, also could lose its status as Florida's largest mall should the proposed American Dream Miami mall get built as planned in northwest Miami-Dade County.

Turnberry was successful in obtaining the new financing in part because the company's principals have a strong track record of developing attractive properties, Kessler said.

"The complex nature of the mall expansion project, which includes creating space for existing tenants that want to expand, accommodating new tenants and constructing several new restaurants and a VIP lounge for stores to cater to its premium customers, added to the challenge," Kessler said.

Representing Turnberry since 1988 made the process run smoother.

"It is always very helpful when you know the history behind a client's properties and the client," he said. "You are more sensitive to what may be an issue and what may not be. You can anticipate some of the questions they would have on financing more easily than if a client was brand new to you. History absolutely makes a difference."

Kessler, the co-office head for Buchanan Ingersoll's Fort Lauderdale office, specializes in complex business transactions in the real estate industry. He handles sophisticated deals on behalf of Turnberry's owners, the Soffer family, and for many high-profile developments and properties. The Buchanan Ingersoll's Fort Lauderdale office opened under Kessler's direction in 1990.