

AccorHotels Takes Over the Management of 26 BHG Hotels

March 7, 2017

March 7, 2017 (NEW YORK) – Proskauer advised AccorHotels in its agreement with Brazil Hospitality Group (BHG) and its shareholders, funds managed by GP Investments and GTIS Partners, in which AccorHotels will take over the management of 26 hotels currently owned or managed by BHG. The transaction, valued at R\$200 million, is expected to close in Q4 2017.

BHG's portfolio includes economy, midscale, upscale and luxury hotels in Brazil's major markets, especially in Rio de Janeiro and São Paulo, and this transaction complements AccorHotels' existing network in Brazil and consolidates BHG's leadership across all segments. The hotels will undergo major renovation and repositioning work and will be reflagged until the end of 2019 under AccorHotels brands, including ibis, ibis Styles, ibis Budget, Mercure, Novotel, Mama Shelter, MGallery and Pullman, under long-term management agreements.

Paris-based AccorHotels is the world's leading hotel operator, with more than 4,000 hotels, resorts and residences, across 19 trusted brands in 95 countries. Its portfolio comprises luxury brands Raffles, Fairmont, Sofitel Legend, SO Sofitel, Sofitel, onefinestay, MGallery by Sofitel, Pullman and Swissôtel; midscale and boutique brands Novotel, Mercure, Mama Shelter and Adagio; and economy brands ibis, ibis Styles, ibis budget, as well as the regional brands Grand Mercure, The Sebel and hotelF1.

The third largest hotel chain in Brazil, BHG owns and manages a portfolio of more than 50 hotels, of which 17 are prime locations in the economy, midscale, upscale and luxury segments. The group includes Royal Tulip, Golden Tulip and Tulip Inn brands in Brazil. BHG also has hotels with their own flags, such as Soft Inn, and hotels without flags, such as Marina Palace, in Leblon - Rio de Janeiro and The Capital, in São Paulo.

The Proskauer team was led by co-head of the Private Equity Real Estate Group Jeffrey Horwitz, and included Yuval Tal, Andrew Kleiman, Jennifer Wong, Danielle Mubarak (Corporate); and Stuart Rosow and Amy Zelcer (Tax).

Proskauer has represented AccorHotels for 20 years in a number of transactions including its \$2.9 billion acquisition of FRHI Hotels and Resorts; its strategic alliance with Huazhu Hotels Group to create a major hotel company in China; the sale of Motel 6 and related

U.S. economy hotel operations for \$1.9 billion; the \$1.32 billion sale of Red Roof Inns; more than \$1.5 billion in sale-and-management-back and other transactions in the U.S. for Sofitel and Novotel properties; and its recently agreed upon long-term strategic partnership with Singapore-based Banyan Tree Holdings.

[Related Professionals](#)

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