

Proskauer Rose Represents the Lightstone Group

Linden Alschuler & Kaplan, Inc. 212-575-4545 on June 13, 2007

June 13, 2007 (New York, NY) - Proskauer Rose LLP, an international law firm with over 700 lawyers worldwide, represented The Lightstone Group, one of the largest private real estate owners in the United States, in its \$8 billion acquisition of Extended Stay Hotels, the country's largest owner of mid-price extended-stay hotels, from The Blackstone Group.

The deal marks the entry of Lightstone into the lodging sector. Proskauer also represents the company in connection with its non-traded, publicly-offered REIT, Lightstone Value Plus Real Estate Investment Trust, Inc., which has raised over \$90 million with an anticipated total raise of \$300 million. The firm has represented the REIT in a number of matters including: the acquisition of a portfolio consisting of Florida Factory Outlet Mall; the acquisition of over 1,000 apartments in Southern Michigan; the acquisition of a shopping center in Omaha, Nebraska; a 49 percent interest in a joint venture with a Lightstone affiliate that owns 1407 Broadway in Manhattan; and the acquisition of an industrial portfolio consisting of 12 industrial properties and two office properties in New Orleans, Baton Rouge and San Antonio. The Lightstone transaction is also the latest deal Proskauer has been involved with in the lodging sector, following the firm's representation of Accor in its agreement to sell Red Roof Inns to Citi Global Special Situations Group and Westbridge Hospitality Fund for \$1.32 billion.

The Proskauer team that represented Lightstone in the deal was led by Peter Fass and Steven Lichtenfeld (who are the co-chairs of Proskauer's Real Estate Capital Markets Group) and also included James Gerkis, Steven Fishman, Stephen Devaney, Lucien White, Eric Friedlander, Sarah Schachne (Corporate), Stuart Rosow, Raj Tanden, Timothy Donovan and Nicole Spooner (Tax).

Headquartered in New Jersey, The Lightstone Group owns a portfolio of diversified properties in 25 states plus the District of Columbia and Puerto Rico, spanning in excess of 20,000 apartments and in excess of 30 million square feet of commercial and retail space. For the Extended Stay purchase, equity investors alongside The Lightstone Group include affiliates of The Blackstone Group and Arbor Realty Trust Inc.

Extended Stay Hotels, which currently operates under the Extended Stay Deluxe, Extended Stay America, Homestead Studio Suites, StudioPlus and Crossland brands, owns 683 properties and 76,000 units in 44 states and Canada.

Proskauer's Real Estate Capital Markets Group brings together a range of disciplines including corporate, tax and real estate law to assist issuers, underwriters and public and private equity investors in evaluating opportunities and structuring and executing capital markets transactions involving real estate companies and funds. The group's portfolio of clients includes public real estate companies and REITs, underwriters of real estate securities, institutional principal investors, real estate funds, pension advisors, hedge funds and national owners and developers. The firm regularly represents clients in all different stages of investment including growth capital, mature private equity, public debt and equity, management buyouts, and other leveraged acquisitions and recapitalizations of successful and less successful companies as well as other special situations.

Proskauer's Lodging and Gaming Group takes a multidisciplinary approach to the lodging and gaming business. The firm draws on experience across all key areas involved in evaluating, negotiating and structuring deals including corporate, real estate, labor, litigation and dispute resolution, environmental, benefits, tax, bankruptcy, and intellectual property. Proskauer's commitment to the hospitality industry is unparalleled among major national firms.

[Related Professionals](#)

- **James P. Gerkis**
Partner
- **Peter M. Fass**

- **Steven L. Lichtenfeld**

Partner

- **Stuart L. Rosow**