

# High Hotels Ltd. Innovation Through Creativity and Collaboration

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The hospitality industry was drastically affected by the COVID-19 pandemic being faced with dramatic reductions in demand, various state and federal restrictions, the rising cost of goods and more. Despite these challenges, this sector has proved resilient and is not only surviving but thriving. [High Hotels Ltd.](#) is a prime example, demonstrating that through resilient coworkers, innovative ideas, strategic vision and collaboration comes success.

"We were hit hard by the pandemic, but we came back stronger than ever," stated [David Aungst](#), President, High Hotels Ltd. "Within the hospitality industry, the return of Revenue per Available Room (RevPAR) to 2019 levels was the key recovery metric that the industry monitored. As of year-end 2022, High Hotels Ltd. not only recovered but exceeded 2019 RevPAR results. None of these revenue results could have been achieved without our dedicated coworkers. We developed creative recruitment and compensation strategies resulting in the hiring of 196 full-time coworkers in 2022."

As both an owner and operator of 13 hotels located in six unique markets, High Hotels needed to steady their operating platform following COVID in order to execute on their asset management strategy. In 2022, to facilitate High Hotels' strategy, Barley Snyder represented High Hotels Ltd. in the sale of four hotels and the purchase of two hotels with total purchase prices of nearly \$100 million. The firm also represented High Hotels with the 1031 like-kind exchange that was completed in connection with the sale of these four hotels and the purchase of the two replacement properties. Attorneys in Barley Snyder's [Hospitality, Business, Tax](#) and [Real Estate](#) groups - including partners Derek Dissinger and [Brian Ott](#), managing partner [Jeff Lobach](#), attorney [Jayne Katherman](#) and paralegal [Cathy Eveler](#) - worked in partnership with High Hotel's Tax and Legal departments to successfully accomplish these sales, purchases, and the exchange, which helped High Hotels defer long-term capital gains on the assets sold. By planning for the like-kind exchange from the outset, Barley Snyder and High Hotels were able to collaborate on each step of the exchange - including the identification of replacement properties and allocation of the purchase price among the various assets associated with the sales - making for a smooth and efficient process.

"Each hotel that we transacted, presented a unique challenge or aspect that needed to be addressed and solved. Barley Snyder had in-house ability and expertise to address each circumstance which gave me the ability to remain focused on the details of the transaction versus shopping for specialized legal assistance," said David.

There were other complexities that the firm helped High Hotels navigate such as liquor licensing. One location was subject to a joint venture liquor license which was surrendered, another was subject to a liquor

license transfer, and the third required an interim beverage management agreement while the buyer obtained a new hotel liquor license. Two of the hotels were located on site condominiums (multiple lines of commercial real estate with shared common areas) which carried their own challenges, such as easements, restrictions and various required estoppels. The attorneys at Barley Snyder working on these projects have extensive experience with creating and managing condominiums and were able to efficiently address any issues that arose with respect to these properties. The firm also assisted in the process of reviewing title for purchases and clearing title on the sales as well as working seamlessly with the title company to ensure the 1031 process was started and completed correctly.

"Our attorneys work together across offices and practice groups to provide our clients efficient solutions to their complex situations," said Derek. "We value the opportunity to be able to partner with a client like High Hotels to provide comprehensive legal solutions tailored to their unique situation and helping our to achieve their business goals."

## FEATURED:

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