

Rising Star: Latham's Dustin Paige

By Nathan Hale

Law360 (August 14, 2024, 2:04 PM EDT) -- Latham & Watkins LLP counsel Dustin Paige's work on large, complex deals, including a \$7 billion joint venture between Digital Realty Trust and Blackstone Inc. to develop four hyperscale data center campuses and Flynn Properties' \$1.1 billion acquisition of an 89-hotel portfolio and its subsequent refinancing, has earned him a spot among the real estate attorneys under age 40 honored by Law360 as Rising Stars.

The biggest deal of his career:

Paige served as lead transaction counsel on a deal announced in December 2023 that will see Latham client Digital Realty, a leading global provider of data center solutions, team up with Blackstone, the world's largest alternative asset manager, to develop and operate two hyperscale data center campuses in Northern Virginia; one in Frankfurt, Germany; and a fourth in Paris. The campuses, which are expected to cost \$7 billion to construct over the next several years, are planned to support construction of 10 data centers with approximately 500 megawatts of information technology load capacity, according to the companies.

Paige led negotiations on the master transaction agreement, coordinating a large Latham team that spanned attorneys from several practice groups and offices on both sides of the Atlantic. In addition to negotiating complex deal terms, the work also involved ensuring that the closing steps aligned with requirements from tax advisers, complying with disclosure requirements for the publicly traded Digital Realty, and navigating antitrust regulations in Europe, Paige said.

"The logistics of a transaction like that, with so many moving pieces and different folks contributing to different aspects of the deal, the management and organization is always a challenge," he said. "But that's what we do, and that's why folks come to Latham — to bring the deals where they know they need sophisticated counsel, and they need the experience from a team who can handle a deal like that and be able to get it done in the time frame that the client wants."

2024



Dustin Paige
Latham

Age: 38
Home base: Chicago
Position: Counsel
Law school: Vanderbilt Law School
First job after law school: Restructuring attorney at Kirkland & Ellis

The most interesting deal he's worked on:

While the Digital Realty deal was by far the largest Paige has led in his 12-year career from a value standpoint and its international reach posed some additional intrigue, the total of four properties involved fell far short of the 89 in a hotel portfolio he helped Flynn Properties Inc. acquire in another project he led.

That transaction, which closed in November 2022, saw Flynn, an owner of commercial real estate, luxury resorts and select service hotel properties, enter into a joint venture with Värde Partners Inc., a leading global alternative investment firm, to acquire an 80% interest in 89 select service and extended stay hotels from affiliates of Highgate Capital Investments LP and Cerberus Capital Management LP in a deal valued at \$1.1 billion. Paige later also represented Flynn and Värde when they acquired the remaining 20% ownership interest and obtained a \$794 million commercial mortgage-backed security loan.

"Our client is a hotel management firm that was partnering with a capital partner, and we also negotiated CMBS debt to cover the entire portfolio, so, on top of our clients doing their own diligence on the portfolio, you then have a lender who follows a very strict protocol in terms of requirements for consummating the financing and scrutinizing each of those assets very closely," he said.

"So, we had to be on top of our game to make sure that we're anticipating as many potential issues as we can, getting out ahead of as much as we can, and also being able to respond to lender inquiries in a timely fashion," he added.

Why he's a real estate attorney:

Paige started his career in the restructuring practice at Kirkland & Ellis LLP. He never had a great desire to focus on litigation but found the dealmaking elements of some real estate-driven bankruptcy cases he worked on interested him, he said. He eventually switched into the real estate group at Kirkland and then moved to Latham about six years ago.

"What I like about real estate practice is the complexity of the work, particularly at a firm like Latham. It makes it really interesting, and the practice and the deal terms evolve over time," Paige said. "No two deals are the same, even if it's the same asset class. Each deal is always going to have its own wrinkles and issues to work through."

Discussing some other memorable deals he has worked on, Paige recounted working on a client's acquisition of the W hotel in Nashville, Tennessee. While a sizeable transaction at \$330 million, this one stood out for Paige because, he recalled, the property previously had been a surface parking lot that he and his Vanderbilt Law School classmates would use when going out to restaurants in the area.

"To be able to work on a deal that was close to a part of a story of my life is really cool," he said. "And that's one of the fun things about the real estate practice, in general, the tangibility of the assets. You can drive down the street in downtown Chicago and see an office building that I helped a client acquire. It's a pretty cool thing."

His proudest moment as an attorney:

Reflecting on moments in his career when he has felt a sense of accomplishment with his achievements and skills, Paige recounted a late-night call with a client on the eve of a closing when he drew on his experience to keep a large deal on track after some unexpected issues arose.

"We were able to execute on that, and we were ultimately able to solve the issue with the lenders and eventually close the deal," he said. "After that was over and looking back, being able to keep the client calm and the deal moving forward was a proud moment — just having the breadth and depth of experience at this point in my career to be able to help the client successfully navigate that type of situation and still be able to get the deal done."

Paige also pointed to moments when he sees a junior lawyer he has been mentoring becoming more confident in their skills and understanding the mechanics of deals.

"That's a really proud moment to see somebody invested in their career doing well and enjoying the group at Latham," he said.

How he thinks his practice and the legal industry will change in the next 10 years:

Paige said he has seen deals grow more sophisticated and complex over the course of his career, and he expects that to continue as institutional investors define new terms, and real estate lawyers adapt to the evolution of capital stacks and joint ventures, for example.

Interest rates will also have an ongoing impact, with some clients turning to joint ventures with capital partners or offering preferred equity because debt is so expensive, he added.

Changing uses of properties will require markets and real estate practices to evolve as well, Paige said, noting post-COVID-19 questions about office space in many big cities' downtowns and growing demand for data centers to support the growth of artificial intelligence and cryptocurrency.

Paige said he expects to continue working on a variety of asset types, but with hospitality remaining a major focus, given Latham's strength in the field.

"That probably will stay the same just because the Latham group is so renowned in that industry, but we can do anything," he said. "We've done data centers, multifamily, office, industrial. So, I definitely anticipate still working on all asset classes."

AI will also undoubtedly have a direct impact on legal practices in general, Paige said, although he thinks things are still in the early stages.

"Initially, knowledge management, clearly there's a lot of opportunity there," he said. "At a firm like Latham, we have a large database, and being able to utilize AI to sort and manage that in a way that can be useful to attorneys without having to spend a lot of man hours in researching would be a huge benefit to our clients."

--As told to Nathan Hale. Editing by Kristen Becker.

Law360's Rising Stars are attorneys under 40 whose legal accomplishments belie their age. A team of Law360 editors selected the 2024 Rising Stars winners after reviewing nearly 1,200 submissions. Attorneys had to be under 40 as of April 30, 2024, to be eligible for this year's award. This interview has been edited and condensed.