

BACKGROUND

3. On April 28, 2010 (the “Petition Date”), the Debtors each filed voluntary petitions under Chapter 11 the United States Bankruptcy Code (“Bankruptcy Code”) in the United States Bankruptcy Court for the District of Massachusetts (the “Court”).

4. The Debtors continue to operate as debtors in possession pursuant to Sections 1107 and 1108 of the Code. As of the date of this application, no official committee of creditors has been appointed in any of the Debtors’ cases.

5. The W Boston Hotel and Residences project (the “Project”) opened on October 29, 2009, and comprises a 350,650 square foot, 26-story building located at 100 Stuart Street in the heart of Boston’s Theatre District. The Project contains the 235–room, four-star Hotel, the 122 condominium units, and a two-level underground parking garage with capacity for 142 vehicles (the “Garage”).

6. The Project was designed by the internationally-known architectural firm of William Rawn and Associates Architects, together with the architect of record TRO/Jung Brannen, Inc.

7. The Hotel is branded as a “W” Hotel – the only W Hotel in New England – and serves Boston’s many national and international business travelers and tourists. The Hotel is operated by Starwood Hotels and Resorts Worldwide, Inc. (“Starwood”) through its affiliate, W Hotel Management, Inc. (the “Hotel Operator”). The Hotel includes a retail store operated by Wink Retail Group, Inc., an affiliate of Starwood, a signature restaurant operated by Cullinary Concepts (Boston) LLC (the “Restaurant Operator”) at a prominent location along Tremont Street, and will also include a second floor spa with a first floor entrance and related retail space on the Stuart Street side of the Project (the “Spa”). The Hotel is also planned to include a below-

grade theme bar/lounge with an entrance adjacent to the spa entrance on Stuart Street (the “Theme Lounge”). The Spa is in the final stages of construction and the Theme Lounge is planned to open in the fall. The Hotel Operator will operate the Spa and the Theme Lounge.

8. The Hotel restaurant, Market by Jean-Georges Vongrichten, is a 6,000 square foot, first-class, full-service restaurant that occupies the entire first floor of the Hotel along Tremont Street. Market is an important amenity for the city’s visitors and theatre-goers.

9. The condominium units consist of 122 studio, one (1), two (2) or three (3) bedroom luxury condominium units. The list prices for the condominium units range from \$600,000 to over \$4,000,000.

10. The Debtors filed these cases in order to preserve the value of their assets and their opportunity to reorganize.

RETENTION OF H&K

11. The Debtors seek an order of this Court authorizing the employment of H&K as their bankruptcy counsel in these jointly administered Chapter 11 cases.

12. The Debtors have requested the authority to employ H&K due to H&K’s extensive experience representing debtors under and its knowledge of the Bankruptcy Code. The Debtors believe that H&K is well qualified to represent them in these Chapter 11 cases. The Debtors require the retention of H&K to perform the legal services necessary to assist the Debtors in performing their duties as a debtors-in-possession.

13. The Debtors propose to retain H&K to render various legal services, including, without limitation, the following:

- a. Advising the Debtors with respect to their rights, powers and duties as debtors-in-possession in the continued operation of their businesses and management of their assets;

- b. Advising the Debtors with respect to any plan of reorganization and any other matters relevant to the formulation and negotiation of a plan or plans of reorganization in the case;
 - c. Representing the Debtors at all hearings and matters pertaining to their affairs as debtors and debtors-in-possession;
 - d. Preparing, on the Debtors' behalf, all necessary and appropriate applications, motions, answers, orders, reports, and other pleadings and other documents, and review all financial and other reports filed in these Chapter 11 cases;
 - e. Advising the Debtors with respect to, and assisting in the negotiation and documentation of, financing agreements, debt and cash collateral orders and related transactions;
 - f. Reviewing and analyzing the nature and validity of any liens asserted against the Debtors' property and advising the Debtors concerning the enforceability of such liens;
 - g. Advising the Debtors regarding their ability to initiate actions to collect and recover property for the benefit of their estates;
 - h. Advising and assisting the Debtors in connection with the potential disposition of any property;
 - i. Advising the Debtors concerning executory contract and unexpired lease assumptions, lease assignments, rejections, restructurings and recharacterization of contracts and leases;
 - j. Reviewing and analyzing the claims of the Debtors' creditors, the treatment of such claims and the preparation, filing or prosecution of any objections to claims;
 - k. Commencing and conducting any and all litigation necessary or appropriate to assert rights held by the Debtors, protect assets of the Debtors' Chapter 11 estates or otherwise further the goal of completing the Debtors' successful reorganization other than with respect to matters to which the Debtors retain special counsel; and
 - l. Performing all other legal services and providing all other necessary legal advice to the Debtors as debtors-in-possession which may be necessary in the Debtors' bankruptcy proceeding.
14. H&K has the requisite experience and bankruptcy expertise to provide the services required by the Debtors.
15. H&K will seek compensation based upon its normal and usual hourly billing rates, and will seek reimbursement of expenses. From time to time, H&K adjusts its usual hourly

billing rates in the ordinary course of its business. In the event of such an adjustment, H&K will seek compensation at the adjusted hourly rate from and after the date of the adjustment.

16. H&K will maintain detailed, contemporaneous records of time and any actual and necessary expenses incurred in connection with the rendering of the legal services described above by category and nature of services rendered. H&K reserves its right to seek an enhancement of its fees or a lodestar award greater than its normal hourly time charges, subject to this Court's approval in accordance with applicable law.

17. Prior to the Petition Date, the Debtors provided H&K with a security retainer of \$248,011.

18. During these cases H&K requests that it receive compensation for services rendered to the Debtors upon approval of this Court in accordance with any applicable interim compensation procedures established by the Court. Any reimbursement of compensation and expenses shall be subject to allowance by this Court upon appropriate application pursuant to Sections 330 and 331 of the Bankruptcy Code and any orders of this Court.

19. The Debtors request, in accordance with MLBR 2014(1)(d), that H&K's retention be effective as of the Petition Date.

DISINTERESTEDNESS OF H&K

20. H&K has filed the affidavit of Harold B. Murphy in connection with this application and in accordance with Federal Rules of Bankruptcy Procedure 2014 and 2016, and MLBR 2014-1 (the "Affidavit").

21. To the best of the Debtors' knowledge, H&K has not represented, nor does it now represent, any interest adverse to the Debtors with respect to the matters on which H&K is to be

employed. H&K and its principals and employees are otherwise disinterested persons with respect to the Debtors, as that term is defined in the Bankruptcy Code.

22. H&K will further amend or supplement the Affidavit to any extent necessary.

WHEREFORE, the Debtors respectfully request that this Court enter an Order (a) authorizing the retention of Hanify & King, Professional Corporation as counsel to the Debtors under the terms and conditions set forth in this application; and (b) granting to the Debtors such other and further relief as the Court deems just and proper in the circumstances.

Respectfully submitted,

AUTO SALES & SERVICE, INC., GENERAL
TRADING COMPANY, FRANK SAWYER
CORPORATION, 100 STUART STREET LLC and
SW BOSTON HOTEL VENTURE LLC

Dated: May ___, 2010

By: /s/ Carol Parks
President or authorized signatory

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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION**

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In re:)	
)	
SW BOSTON HOTEL VENTURE LLC,)	Chapter 11
<i>et al.</i>)	Case No. 10-14535-JNF
)	
Debtors.)	
<hr/>)	<i>(Jointly Administered)</i>

**AFFIDAVIT OF HAROLD B. MURPHY IN SUPPORT OF
APPLICATION TO EMPLOY HANIFY & KING, PROFESSIONAL CORPORATION
AS COUNSEL TO THE DEBTORS AND DEBTORS-IN-POSSESSION**

Pursuant to Fed. R. Bankr. P. 2014(a) and 2016, MLBR 2014-1, and 28 U.S.C. § 1746, I, Harold B. Murphy, hereby state as follows:

1. I am a shareholder of the law firm of Hanify & King, Professional Corporation, One Beacon Street, Boston, Massachusetts (“H&K”). I make this affidavit (the “Affidavit”) in support of the *Application to Employ Hanify & King, Professional Corporation as Counsel to the Debtors and Debtors-in-Possession* (the “Application”) filed by the above-referenced debtors and debtors-in-possession (the “Debtors”). I am generally familiar with the business of H&K and have made inquiry concerning the facts set forth herein prior to making this Affidavit.

2. H&K maintains records of all of its clients, the matters on which it represents its clients, and the other parties which have a substantial role in such matters. H&K has reviewed such records and documents to determine H&K’s connections with the Debtors, and those entities listed by the Debtors as being either secured creditors or unsecured creditors.

3. Based upon my review as described in this affidavit, in accordance with Rule 2014(a) of the Federal Rules of Bankruptcy Procedure, neither I nor any shareholder or associate of H&K, insofar as I have been able to ascertain, has any connections or relationships with the

Debtors, their creditors or any other parties-in-interest, or their respective attorneys and accountants, the United States Trustee or any person employed in the office of the United States Trustee except as disclosed or described herein including that:

a. the Debtors have filed an application to employ Argus Management Corporation (“Argus”) as their financial advisors in these jointly-administered Chapter 11 cases. Argus has been retained in matters in which H&K has been or is involved, or in other cases in which H&K has represented other parties-in-interest, including but not limited to: In re GPX International Tire Corporation, In re The Ground Round, Inc., et al. and In re Gitto/Global Corporation; and

b. H&K represents or has represented NSTAR (“NSTAR”) and/or its affiliates which has a claim against SW Boston in the approximate amount of \$11,336.95. H&K has not and will not represent NSTAR in connection with these cases.

4. Because of the size and diversity of H&K’s practice, it is possible that H&K may represent or may have represented other creditors, equity security holders, or parties-in-interest or their respective attorneys and accountants, but does not represent any such entity in connection with the Debtors. With respect to the party listed above, H&K has not and will not represent such parties in any matters related to the Debtors’ bankruptcy cases.

5. H&K does not represent, nor is it represented by, any other authorized professional specifically in connection with these cases or on a regular basis or in connection with a substantial matter in another case.

6. The Debtors may retain various professionals during the pendency of these cases. H&K will take steps not to unnecessarily duplicate the efforts of any other professional retained

in these cases. In that regard, H&K will coordinate with all other professionals retained in these cases to ensure that H&K does not unnecessarily duplicate work being performed by other professionals.

7. Insofar as I have been able to ascertain, based on the review as described above, H&K, the shareholders and associates thereof do not hold or represent any interest adverse to that of the Debtors' estates. Notwithstanding the disclosure contained in paragraph three, I believe that I and each shareholder and associate of H&K is a "disinterested person" as that term is defined in 11 U.S.C. § 101(14). Furthermore, insofar as I have been able to ascertain, neither H&K nor any shareholder or associate thereof is connected with any Bankruptcy Judge in the District of Massachusetts, or the United States Trustee or any person employed in the Office of the United States Trustee, so as to render the appointment of H&K as counsel for the Debtors inappropriate under Fed. R. Bankr. P. 5002(b).

8. H&K and I have conducted, and will continue to conduct, research into any relationships we may have with the Debtors and their creditors, any accountants, attorneys or other professionals of the foregoing, and any other parties interested in these cases. Although H&K has undertaken, and will continue to undertake, an investigation to identify any contacts with the Debtors or parties-in-interest, it is possible that such contacts have not been revealed. To the extent any such contacts are discovered, H&K will notify the Court by filing and serving a supplemental affidavit.

9. Any compensation, fee or allowance which may be claimed by me or by H&K will belong wholly to the law firm and will not be divided, shared or pooled, directly or indirectly, with any other person or firm.

10. H&K will seek compensation based upon its normal and usual hourly billing rates, and will seek reimbursement of expenses. From time to time, H&K adjusts its usual hourly billing rates in the ordinary course of its business. In the event of such an adjustment, H&K will seek compensation at the adjusted hourly rate from and after the date of the adjustment.

11. Prior to the Petition Date, the Debtors provided H&K with a security retainer of \$255,195. H&K has applied \$7,184 of that retainer toward the payment of prepetition services that had been rendered in the week prior to the filing of these Chapter 11 cases. H&K is holding the balance of the retainer, \$248,011, as security for services to be rendered in connection with its representation of the Debtors in these Chapter 11 cases (the "Retainer"). H&K received no other prepetition payments from the Debtors. Subject to the Court's approval of H&K as counsel to the Debtors, the Retainer will be held by H&K in its Client Funds Account as security during these cases. The Retainer is not intended to be applied until all alternative sources of payment have been exhausted.

12. I shall amend this statement immediately upon my learning that (A) any of the within representations are incorrect or (B) there is any change of circumstances relating thereto.

13. I have reviewed the provisions of MLBR 2016-1.

I declare under penalty of perjury that, to the best of my knowledge, the foregoing is true
and correct.

/s/ Harold B. Murphy
Harold B. Murphy (BBO #326610)
Hanify & King, Professional Corporation
One Beacon Street
Boston, Massachusetts 02108
Tel: (617) 423-0400
Fax: (617) 556-8985
hbm@hanify.com

Dated: May 10, 2010

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UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION

_____)	
In re:)	
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SW BOSTON HOTEL VENTURE LLC,)	Chapter 11
<i>et al.</i>)	Case No. 10-14535-JNF
)	
Debtors.)	
_____)	<i>(Jointly Administered)</i>

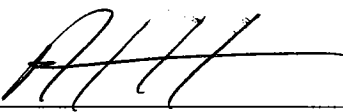
PART I - DECLARATION OF PETITIONER

I, Harold B. Murphy, hereby declare under penalty of perjury that the information contained in the *Affidavit of Harold B. Murphy in Support of Application to Employ Hanify & King, Professional Corporation as Counsel to the Debtors and Debtors-in-Possession* (the "Document") filed electronically is true and correct.

I understand that this DECLARATION is to be filed with the Clerk of Court electronically with the electronic filing of the Documents. I understand that failure to file this DECLARATION may cause the Documents to be struck and any request contained or relying thereon to be denied, without further notice.

I further understand that pursuant to the Massachusetts Electronic Filing Local Rule (MEFLR)-7(a) all paper documents containing original signatures executed under the penalties of perjury and filed electronically with the Court are the property of the bankruptcy estate and shall be maintained by the authorized CM/ECF Registered User for a period of five (5) years after the closing of this case.

Dated: May 10, 2010

Signed: 
Harold B. Murphy

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION

)	
In re:)	
)	
SW BOSTON HOTEL VENTURE LLC,)	Chapter 11
<i>et al.</i>)	Case No. 10-14535-JNF
)	
Debtors.)	
)	<i>(Jointly Administered)</i>

**ORDER GRANTING APPLICATION TO EMPLOY
HANIFY & KING, PROFESSIONAL CORPORATION AS
COUNSEL TO THE DEBTORS AND DEBTORS-IN-POSSESSION**

Upon the application (the “Application”) of the above-referenced debtors and debtors-in-
possession (the “Debtors”) for entry of an order pursuant to Section 327(a) of the Bankruptcy
Code and Rule 2014 of the Federal Rules of Bankruptcy Procedure and MLBR 2014-1,
authorizing the Debtors’ retention of Hanify & King, Professional Corporation (“H&K”) as their
bankruptcy counsel in these Chapter 11 cases; and the Court having considered the Application
and the *Affidavit of Harold B. Murphy in Support of Application to Employ Hanify & King,
Professional Corporation as Counsel to the Debtors and Debtors-in-Possession*; and the Court
being satisfied that H&K holds no interest adverse to the Debtors or their estates as to the matters
upon which it is to be engaged and is disinterested under Section 101(14) of the Bankruptcy
Code, as modified by Section 1107(b) of the Bankruptcy Code; and the Court having jurisdiction
to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157
and 1334; and it appearing that the relief requested by the Application is necessary and in the
best interests of the Debtors, their estates and their creditors; and it appearing that proper and
adequate notice of the Application has been given and that no other or further notice is necessary

or required; and after due deliberation and good and sufficient cause appearing therefore, it is hereby **DETERMINED, ORDERED AND ADJUDGED**, that:

1. The Application is hereby approved and granted in its entirety.
2. The Debtors are hereby authorized to retain the law firm of Hanify & King, Professional Corporation on the terms and conditions set forth in the Application.
3. The retention of Hanify & King, Professional Corporation is approved as of the Petition Date.
4. The fees to be paid to Hanify & King, Professional Corporation, and expenses to be reimbursed, shall be as allowed and determined by this Court.

Dated: _____, 2010

Joan N. Feeney
United States Bankruptcy Judge