

[https://www.aspendailynews.com/news/sale-deadline-pushed-to-aug-6-for-souki-hunt/article\\_002b086c-50a1-11ef-95bd-6f6ca8d98c82.html](https://www.aspendailynews.com/news/sale-deadline-pushed-to-aug-6-for-souki-hunt/article_002b086c-50a1-11ef-95bd-6f6ca8d98c82.html)

## Sale deadline pushed to Aug. 6 for Souki, Hunt

Rick Carroll, Aspen Daily News Staff Writer

Aug 2, 2024



Assets belonging to Ajax Holdings include the Coldwell Banker Mason Morse real estate business, as well as the building it occupies at 514 E. Hyman Ave. in Aspen.

Jason Charme/Aspen Daily News

The buyers and sellers of an assortment of downtown Aspen commercial properties have a deadline next week to finalize a transaction that's key to a larger settlement agreement unfolding in a Houston bankruptcy court.

The closing date for the sell-off of assets owned by affiliates of Ajax Holdings, an Aspen-based, family-owned real estate brokerage investment company, is now Aug. 6. On Tuesday, Judge Christopher Lopez of the U.S. Bankruptcy Court of the Southern District of Texas granted an emergency motion approving the sale and extending its deadline, which previously was July 31.

The transaction would end a contentious five-year dispute between investor Charif Souki and a group of lenders, resolving their legal and financial disagreements that landed in courts in Colorado, New York, and finally, Houston.

“The court has lived through some of these disputes, and for the parties to come together and resolve this issue, I certainly find it in the best interest of the estate,” Lopez said at the hearing.

The purported buyer of the properties is developer Mark Hunt, who would be expanding an Aspen portfolio that currently includes the former homes of Eric’s compound and The Aspen Times offices on East Hyman Avenue, the Red Onion on East Cooper Avenue, and the former Main Street Bakery building, which is nearing its redevelopment completion, among others.

Hunt is also partnering with California-based home-furnishings company RH, formerly known as Restoration Hardware, on multiple projects in town, including redeveloping the Crystal Palace Theatre building into a boutique hotel and redeveloping the Bidwell Building into a gallery, showroom, retail and dining space.

Court documents signed this week showed Souki and the lenders agreeing to a settlement term sheet that redacted the buyer’s name, the closing price and other conditions in the pending sale of assets owned by Ajax Holdings to Hunt.

They agreed not to publicly disclose or discuss the agreement’s terms.

“The Parties will not voluntarily issue or make any statement to any person or entity including, but not limited to, statements to news media, concerning the terms of this Settlement Agreement, including all facts, circumstances, statements, and documents relating thereto,” read the settlement agreement signed Tuesday by Lopez.

They also resolved the dispute over how the proceeds from the sale would be handled, agreeing to place those funds into an escrow account before they were dispersed. According to its calculations, as of July 18, the lending group was due at least \$94.2 million under the loan agreements.

“I know there were a lot of moving pieces and lots of parts. It’s not just creditors. It’s parties behind the creditors and entities and it gets very complicated,” Lopez said at the hearing.

Hunt could acquire properties such as four locations in the Hyman Avenue pedestrian mall, the 500 block of East Hyman Avenue, and 4,072 square feet of retail space at the Aspen Square Building at 617 E. Cooper Ave.

According to the Pitkin County Assessor’s Office’s website records, the fair market value of those properties, which include residential and commercial real estate, amounts to \$67 million.

It is even less clear how the sale would impact the offices of Coldwell Banker Mason Morse, owned by Ajax Holdings. The Aspen offices are located in the 500 block of East Hyman.

## ‘More than five years of fighting’

Houston bankruptcy court is where both AVR LLC, the corporate entity that once owned Aspen Valley Ranch, and Strudel Holdings, one-half owner of Ajax Holdings, filed separate Chapter 11 petitions in July 2023. The AVR and Strudel bankruptcy cases have been jointly administered since the time they were filed.

At the center of the dispute have been Souki and a group of secured lenders and their affiliates.

Souki, who opened Mezzaluna restaurant in the 1980s and went on to make a fortune as a pioneer in the liquified natural gas industry, received personal loans totaling \$120 million in 2017 and 2018 and renegotiated them in 2020 before the agreement expired in March 2021, according to court documents.

When the loans became past due, the lenders ramped up efforts to seize assets that Souki had pledged as collateral.

In 2023 and before the bankruptcy filing, the lending group seized and sold Souki's luxury sailing yacht as well as 25 million shares in a Houston-based liquified natural gas company he co-founded called Tellurian.

Then, in October, an affiliate of the lending group won a major chunk of the 800-plus Aspen Valley Ranch at a bankruptcy auction. The deal was completed in February for \$30.5 million. Those funds have been held in an escrow account and will be distributed to the lending group and applied against the Souki debt (the Aspen Daily News incorrectly reported on July 3 that those funds already had been transferred to the lending group).

Another significant development came in April when Lopez issued a \$100 million judgment, following a December trial, against Souki and related entities. The trial was an adversary proceeding associated with the bankruptcy case: Souki and the LLCs argued they were not responsible for paying off the loans in part because the lending group sold off the Tellurian shares at cut-rate prices when they could have waited out the market and sold them for more. The judge disagreed.

Speaking on behalf of the bankruptcy case's chief restructuring officer at this week's hearing, AVR LLC lawyer Joshua Wolfshohl, of Houston, said, "This is a settlement that resolves more than five years of fighting. All the major constituents in this Chapter 11

case are parties to the settlement in some form or fashion. The settlement includes a full liquidation of substantially all of the valuable assets that the debtor (Souki and investors) has an entitlement to, and it puts the proceeds in the hands of the estate's creditors (the lending group) and they have all agreed to what those proceeds are going to be and the resolutions of their claims as a result.”

Chiron AVR LLC, which acquired the ranch through the foreclosure auction, recently sold it for \$46 million to Aspen Ranch Acquisition LLC, which is owned and controlled by Atlanta-based hedge fund Bay Point Advisors.

The lending group comprises Nineteen77 Capital Solutions of New York, Bermudez Mutuari Ltd. of the Cayman Islands, UBS Asset Management (Americas) LLC and Delaware-based Wilmington Trust National Association.

Souki and investors paid \$27 million for Aspen Valley Ranch in 2013, turning it into a retreat featuring 13,900 square feet of common space with a ranch house, a gym/pool house and a historic barn with a game room and eight horse stalls. The sale included a main house with five bedrooms and five baths and the property's historic features. It also came with entitlements to build 14 luxury homes.

Souki developed the gated property into “more than 60,000 feet of improvements including approximately 34,397 square feet of residential property with eight custom homes, complete with 31 beds, 31 baths and five partial baths, just under 14,000 square feet of common facilities, and more than 10,000 square feet of operational facilities. Additionally, the ranch has more than 80,000 square feet of unrealized, residential development potential,” said a press release dated May 22, 2020, which was sent out to promote the new sale listing of the property of \$220 million in 2020.

[rick@aspendedailynews.com](mailto:rick@aspendedailynews.com)

---

Rick Carroll

Managing Editor