

COMMERCE

Mohari Hospitality acquires majority-stake in Tao Group

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Mohari is bringing a diverse range of culinary and entertainment venues to its portfolio in the Tao purchase. Image credit: Twitter

By LUXURY DAILY NEWS SERVICE

Mohari Hospitality, a global investment company focused on the luxury lifestyle and hospitality sectors, is acquiring restaurant, nightlife, and entertainment pioneer [Tao Group Hospitality](#).

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Madison Square Garden Entertainment Corp. (MSG Entertainment) is selling Tao Group for \$550 million, anticipating \$300 million in net cash proceeds. Set to close in May, the deal accelerates the growth of the global firm and widens its hospitality portfolio across the world.

"Tao Group has grown from an innovator in nightlife to a leader in premium lifestyle and hospitality," said J. Allen Smith, managing partner at [Mohari](#), in a statement.

"Its global footprint of more than 80 branded locations in over 20 markets and best-in-class management infrastructure speaks to the Group's tremendous potential."

Joining forces

Per the deal, Mohari has purchased MSG Entertainment's 66.9 percent majority interest and third-party investor stakes.

The agreement includes Tao Group's nightclubs such as New York's LAVO and Las Vegas's OMNIA, as well as the Michelin-starred Hakkasan restaurant.

These venues and culinary experiences will now stand alongside Mohari's existing resorts, hotels and travel offerings including the Peninsula Papagayo in Costa Rica and the Ritz-Carlton Yacht Collection.

In return, Mohari is providing real estate and management expertise to Tao Group's extension, inclusive of the newly-announced Tao Hotel in Orlando, Florida. Last year 2022 proved quiet yet notable on the luxury acquisition front ([see story](#)) Tao Group generated \$485 million in revenues.

"Adding Tao Group to our portfolio is a major strategic milestone for Mohari and we're excited about the prospects for the combined business and the transformational potential of our partnership," said Mark Scheinberg, founder

and principal of Mohari, in a statement.

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"The combination of our assets, brands and teams creates a unique global platform to further realize our vision and expand on our ambition in the hospitality space."

Additionally, Tao Group and MSG Entertainment are now engaged in a multi-year contract for continuous marketing consultation and support.

Tao Group will target services toward Madison Square Garden and the entertainment arena Sphere in luxury-friendly Las Vegas. The project is slated for completion in September 2023.

"Over the last 20 years, we have been laser-focused on building premium guest experiences and a company with a global influence in all areas of hospitality, entertainment and pop culture," said Noah Tepperberg, co-CEO of Tao Group, in a statement.

"Mohari's shared vision, coupled with the strength of its portfolio and leadership, make it an ideal partner as we look at the next chapter for Tao Group," Mr. Tepperberg said. "We are excited to build this partnership to scale our companies together."

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