

Palace Café building set to be sold to Motwani family member, but lawsuits stall the deal

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The landmark Canal Street building that was the [longtime home of the Palace Café](#) is set to be sold to a member of the Motwani family, but ongoing lawsuits from Dickie Brennan's restaurant group have stalled the deal.

At issue is the [historic Werlein's Music Building](#), a four-story commercial property in the 600 block of Canal Street, which was constructed in the late 19th Century and was the home to Philip Werlein's flagship music store. Dickie Brennan & Co., owned by Brennan, his sister Lauren Brennan Brower, and Steve Pettus, operated the Palace Café there from 1990 until its [35-year lease expired in June](#) and the restaurant closed.

The Werlein family has now reached a deal to sell the building to Lenny Motwani, a member of the family that owns a wide array of businesses and property in the New Orleans area, according to the Werleins' lawyer, Philip Franco.

"There were several offers for the building above \$8 million and my clients chose the best one," said Franco, adding that there is now a "binding agreement" to sell the property to Motwani.

The Palace Café was [long considered a gem of Lower Canal Street](#), the mile-long corridor that was once a retail mecca and one of the South's finest boulevards. Advocates for the area are hopeful that the next owner works to help counter the decline that the street has seen in recent decades, but some are concerned that the restaurant could be replaced by something that accelerates it.

Motwani didn't respond to requests for comment on the deal and it isn't clear what plans he has for the building or how much he agreed to pay. The former restaurant is within the Canal Street Historic District, which means there are potential restrictions to any changes that could be made.

A fight over the price

Though an agreement has been reached, Franco said the sale to Motwani cannot be completed until the Werleins resolve a messy legal dispute with Dickie Brennan's company.

In February, Brennan's company filed suit against the Werleins, arguing that it had an option to buy the building at a fair-market price that would have deducted the millions of dollars it invested in the property over the years.



Pedestrians walk past the closed Palace Cafe by Dickie Brennan & Co. in the 600 block of Canal Street in New Orleans, Wednesday, July 9, 2025. (Photo by Sophia Germer, The Times-Picayune)

STAFF PHOTO BY SOPHIA GERMER

In June, Orleans Parish Civil District Court judge Ellen Hazeur ruled that the terms of the lease were clear in stating that the sale price should include all the improvements that had been made by Brennan over the decades.

That valued the building at more than \$8 million, according to the Werleins' appraiser, while Brennan's lawyers argued that at least some of the improvements should be deducted and the sale price should be half that.

Brennan's attorney, Randall Smith, said they have appealed Hazeur's decision to the 4th Circuit Court of Appeals and are awaiting a hearing date. He said Brennan's company spent \$10 million on the building over the three decades it ran the restaurant there.

At the same time, a second lawsuit against the Werleins filed by Brennan's company remains active in Hazeur's Orleans Parish court. The restaurant group is still trying to exercise its option to buy the building and to get a third, independent appraisal to determine a sale price.

"My clients put millions of dollars into that property with the expectation they would have the option to purchase it," Smith said. "They never expected to have such pushback from the Werleins after 35 years."

Brennan has not had the chance to meet directly with the Werlein heirs but has dealt with attorneys and their real estate broker, Gerard Henry, Smith said.

The Werleins court filings argue that Brennan's sale option expired and they are counter-suing for unpaid rent, taxes and other expenses, arguing that Brennan reneged on a deal to pay month-by-month rent that rose from \$8,000 a month under the old lease to \$53,000 a month in September.

Brennan's filings argue that their option to buy is still good and that they never agreed to the monthly lease terms, but told the Werleins they would vacate the building by the end of July.

The Werleins declined to comment other than through their attorney.

New Orleans family businesses

Motwani, 46, is a property owner and businessman who operates independently from his father Kishore "Mike" Motwani and his brother Aaron Motwani, the owners of several Willie's Chicken Shack and Praline Connection outlets on Canal Street and in the French Quarter, as well as the Sucre pastry shop on Magazine Street and other businesses.

Aaron and Mike Motwani also operate Quarter Holdings, which includes several downtown projects that are converting buildings into multi-unit short-term rental operations that will be run by Sonder.

Lenny Motwani owns dozens of companies, according to business records, including ATM machines, condominium and apartment complexes, and commercial sites leasing to [Brother's Food Mart](#) and Magnolia Enterprises convenience stores. He also owns the Blue Bayou Restaurant & Oyster Bar on Canal Street, a block away from the Palace Café.

Four sources with direct knowledge of the deal said Kenneth Purcell, founder and CEO of travel technology company iSeatz, is involved with Lenny Motwani's efforts to buy the Canal Street property.

Purcell said he currently isn't part of the deal, though he didn't rule out future involvement when the property can be sold. He said Motwani is a friend and neighbor and he admires how he has built his business.

"It's not easy being an entrepreneur," Purcell said. "I think Lenny is a good operator and he has built a really nice collection of interests."

High style

The Werlein building was designed in the Beaux Arts style by William Freret and finished in 1887, with a new façade designed by Toledano & Wogan architects in 1907. Later renovations to the Palace Café were designed by EskewDumezRipple.

Purcell said that whatever happens next with the property it will have to recognize that the types of tourists and other visitors drawn to Canal Street have changed over the years.

"I hope that area has an opportunity to shine again," Purcell said.

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