Section Member Spotlight: Jeanne Roig-Irwin

Jeanne Roig-Irwin is a partner in the Clifford Chance Real Estate Group and focuses on complex real estate acquisitions, financings, and joint ventures. Her work also includes representing real estate developers, banks, funds and REITs in real estate dispositions, leasing and other real estate transactions.

Q: What sparked your interest in real estate law?

I majored in architecture in college and was fully planning on becoming an architect. I decided to take a legal studies class because I thought it would be useful knowledge to have and it turned out it was by far my favorite class in college. My professor pulled me aside and suggested that I consider law school and I ultimately did decide to go. I did not want to lose the real estate focus and real estate law seemed a good way to keep in touch with my roots.

Q: Can you tell us about the types of matters you handle on a day-to-day basis? Please tell us more on the types of deals you handle.

Our firm has a broad-based real estate practice so we do all types of work across the real estate space—buying and selling assets, financing, leasing, etc. mostly in the commercial real estate space—I like the variety because it keeps it interesting. What I focus my practice on is real estate joint venture, structuring and REIT transactions. We typically represent clients during the entire life cycle of their transactions from the time of initial investment or formation through the ultimate exit of the property or venture. This really helps you get to know clients and provide a better service, as you see what they want in practice and you can better anticipate their needs upfront.

Q: Do you have any predictions for the New York real estate industry over the next year?

From what I am hearing from clients it sounds like many are interested in deploying capital, so I think transaction volumes will pick up from where they were at the end of 2022 as prices start to adjust more to reflect the higher interest rate environment. We have already seen some of that in early 2023 although there is still some wait and see. The second thing that I would say is that given the higher interest rates and more cautious lending environment, I would expect more use of alternatives to traditional financing to raise capital or bring in capital to a deal (joint ventures, preferred equity, retail investors, etc). This is also something that we have seen a number of clients exploring.

Q: One trending topic in the real estate industry is the Corporate Transparency Act and its reporting requirements that apply to any entity that is registered with a secretary of state office in the United States. Under the Act, some entities are exempt from reporting and it can be unclear whether Real Estate Investment Trusts (REITS) are subject to the Act and if there is an exemption that would apply. Can you tell us a little more about this? Do you feel these mandates accomplish their intended goals? Do they stifle legitimate transactions? Have you encountered any issues representing REITS on this issue?

This is an interesting topic and one that we have seen clients asking about. I actually co-authored a piece on some nuances in the REIT space (see link below). The main reason there are some particular nuances for REITs is that once a company is exempt, the Act has a broad-based exemption for wholly owned subsidiaries. However, the way that private REITs work, often all or many of their subsidiaries are not wholly owned as they are owned through either operating partnerships (which have partners other than the REIT) or subsidiary REITs (which typically have 125 preferred shareholders to satisfy the REIT requirements). Thus, even though the parent company (REIT) is exempt from the Act, they may need to register for each of their subsidiaries. Notably this will not (assuming the parent is exempt) require disclosing the ultimate investors but can be an administrative burden, especially for large companies with an SPE for each property they own – we have clients with hundreds or thousands of subsidiaries. This may not have been what the regulators had in mind, because it is something that someone without knowledge of how the nuances on private REIT structures typically are organized may not have even known about (https://www.cliffordchance.com/content/dam/cliffordchance/briefings/2022/12/Corporate%20Transparency%20Act%20Imposes%20New%20Requirements%20On%20U.S.%20Businesses.pdf).

Since the regulations have not yet come into effect, we have not seen any stifling of the market or issues for REITs yet. More broadly, I think this is something that confidentiality focused investors in U.S. real estate (for example, sovereigns and family offices) are focusing on—and it is possible that it could—their investing behavior or how they structure their investments. We will need to see how it develops. That said, as I understand it outside of the United States such disclosure requirements are very common and the U.S. is somewhat of an outlier in terms of historically requiring less disclosure of ultimate beneficial ownership of real estate.

Q. What advice would you give to law students who are interested in real estate law, or practicing lawyers who are interested in transitioning to this area of practice?

Not sure if it is advice per se, but if possible if you are working on a transaction for a particular piece of real estate it is great to visit it if possible (ideally in person or virtually through Google Maps or a similar program)—seeing how the property actually fits into the surroundings is helpful in understanding practicalities that may need to be addressed in the legal documents and spotting potential issues (ie, lack of access). Also, having something tangible to connect to a transaction is somewhat unique to real estate and something that I particularly enjoy.

Q. What are the advantages you see of being a part of the Real Property Law Section of NYSBA?

I think it is a great opportunity to share knowledge and stay connected with others in the industry. Especially during the pandemic, this is something we lost and having the community of other real estate lawyers to bounce ideas off of is invaluable.