

Qualified Opportunity Zones + Funds

Combining their experience in business formation, finance, tax, and real estate, our attorneys help clients structure qualified opportunity zone ("QOZ") funds and position QOZ property to attract QOZ fund capital. We advise QOZ property owners, investors, developers, and fund managers on business entity formation and structuring, capitalization, acquisition, development, management, and disposition of QOZ property in compliance with the spectrum of corporate, tax, real estate, and securities laws.

Kegler Brown's attorneys have been at the leading edge of QOZ compliance since its creation in the 2017 Tax Cuts and Jobs Act. We structured one of the first QOZ funds in Ohio and have since been recognized as national experts in this area. We also inform state and local public policy decisions through participation in Chambers' of Commerce *Opportunity Zones Working Group*.

Our Services

- + **QOZ Compliance:** The operative term in "qualified opportunity zones" is "qualified." QOZ statutes contain many examples of ambiguous language that are subject to interpretation, and the proposed regulations contain many qualifiers as to what type of taxpayers are eligible for investment and what type of gains are eligible for preferential treatment, as well as specific rules related to the creation, timing, and reporting requirements. Our opportunity zones practice group advises on compliance and strategies designed to mitigate the risk of regulatory uncertainty.
- + **Securities Compliance:** As investment vehicles, qualified opportunity funds are generally subject to state and federal securities laws. Our opportunity zones practice group advises clients on available federal and state exemptions and designs private offering materials for qualified opportunity fund investments.
- + **Corporate Structuring + Capitalization:** Opportunity zones laws and regulations contain many specific rules on business entity formation, capitalization, and management. Our team advises clients on how to structure and capitalize their business entities to achieve compliance with these rules, including how to capitalize these entities with eligible gain and post-tax equity contributions, leveraged debt, and mezzanine financing.
- + **Real Estate:** The development of qualified opportunity zone property is at the heart of the program. Our team of real estate lawyers complement this practice by providing counsel on development agreements, land use and zoning, environmental laws, and economic development incentives to optimize our clients' business objectives.

Our Clients

Our attorneys work with clients from across the QOZ ecosystem. We advise investors on how to achieve the statutory tax benefits provided by qualified opportunity funds, including temporary deferral and partial exclusion of their capital gain contribution, and a 100% tax-free capital profits interest. We also advise fund managers on how to form a qualified opportunity fund, satisfy the timing and reporting requirements of a qualified opportunity fund, and how to identify and conduct the appropriate private placement under an exemption from state and federal securities laws.

Whether business or real estate, we advise QOZ property owners on how to position their QOZ property to attract investment capital from qualified opportunity funds.

Contact Us

For more information on our services related to Qualified Opportunity Zones + Funds, please contact Andrew Doup.

Our Team

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