

# REAL ESTATE CAPITAL MARKETS

*YEAR IN REVIEW*



2022

HUNTON  
ANDREWS KURTH

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## INTRODUCTION

By most measures, 2022 was a very challenging year in the capital markets across asset classes. REITs were not immune to the difficult economic conditions experienced in the United States. In particular, the impact of historically high inflation—and the resulting monetary policy response—caused high volatility in the space, as REITs and other industry participants grappled with higher interest rates and lower valuations that made traditional capital raising very difficult. These conditions can be measured by the reduced transactional volume across all REIT asset classes.













Despite the conditions described above, our REIT practice continued to be busy on a relative basis and we were involved in some of the industry’s higher profile deals during 2022. For example, we represented Annaly Capital Management, Inc. in the company’s \$2.4 billion sale of its middle market lending portfolio, as well as multiple capital markets transactions. We also represented Healthcare Realty Trust Incorporated in its combination with Healthcare Trust of America, an \$18 billion deal that created one of the nation’s largest owners of medical office buildings. Toward the end of 2022, we represented the underwriters in connection with a \$737 million public common stock offering by Rexford Industrial Realty, Inc. Thus, while deal volume was much lower than it was in 2021, we were pleased to be called upon to help clients execute on transactions when market windows presented opportunities. See [page four](#) for a list of highlighted transactions from 2022. As these highlights illustrate, our practice covers transactions by both property and mortgage REITs with extensive experience in both sectors (and we regularly represent both issuers and underwriters in these transactions).










Even more important than deal metrics was our commitment to thought leadership and the community during 2022. In terms of being on the forefront of issues facing REITs, we participated in a number of speaking engagements and panels, and authored numerous articles designed to provide practical guidance to our clients and market participants. See [page six](#) for a sampling of our various thought leadership contributions during 2022.

As we have noted for our readers in the past, a commitment to pro bono work, diversity and inclusion and similar matters are part of the fabric of our law firm, and the attorneys making up our REIT practice play an important role in this regard. See [page 12](#) for some additional highlights from 2022.

Like many of you, we can’t predict what will occur in the industry during 2023. However, there are certain things that we can control, such as continuing to strive to be industry leaders. We are grateful to you, our clients and friends, for the opportunities to partner with you in your business and initiatives and we look forward to working closely with you in 2023.

# 2022 DEAL HIGHLIGHTS

 <p><b>Agree Realty Corporation</b> Represented the underwriters in a public offering of common stock of Agree Realty Corporation</p> <p>\$395 million</p>	 <p><b>Alpine Income Property Trust, Inc.</b> Represented the underwriters in a public offering of common stock of Alpine Income Property Trust, Inc.</p> <p>\$150 million</p>	 <p><b>Annaly Capital Management, Inc.</b> Represented Annaly Capital Management, Inc. in the sale of its middle market lending portfolio to Ares Capital Management LLC.</p> <p>\$2.4 billion</p>
 <p><b>Annaly Capital Management, Inc.</b> Represented Annaly Capital Management, Inc. in two public offerings of common stock</p> <p>\$1.3 billion in aggregate</p>	 <p><b>Arbor Realty Trust, Inc.</b> Represented the underwriters in a public offering of preferred stock of Arbor Realty Trust, Inc.</p> <p>\$75 million</p>	 <p><b>Chimera Investment Corporation</b> Represented Chimera Investment Corporation in a public offering of common stock</p> <p>\$500 million</p>
 <p><b>CTO Realty Growth, Inc.</b> Represented the underwriters in two public offerings of common stock of CTO Realty Growth, Inc.</p> <p>\$216 million</p>	 <p><b>Ellington Financial Inc.</b> Represented Ellington Financial Inc. as special tax counsel in a debt offering of Senior Notes</p> <p>\$210 million</p>	 <p><b>Farmland Partners, Inc.</b> Represented the underwriters in a public offering of common stock of Farmland Partners, Inc.</p> <p>\$100 million</p>
 <p><b>Healthcare Realty Trust Incorporated</b> Represented Healthcare Realty Trust Incorporated in its combination with Healthcare Trust of America</p> <p>\$18 billion</p>	 <p><b>Healthcare Realty Trust Incorporated</b> Represented Healthcare Realty Trust Incorporated in a debt offering of Senior Notes</p> <p>\$1.15 billion</p>	 <p><b>Industrial Logistics Properties Trust</b> Represented Industrial Logistics Properties Trust in its acquisition of Monmouth Real Estate Investment Corporation</p> <p>\$4 billion</p>

 <p><b>InvenTrust Properties Corp.</b> Represented InvenTrust Properties Corp. as special tax counsel in a public offering of common stock</p> <p>\$250 million</p>	 <p><b>KKR Real Estate Finance Trust</b> Represented KKR Real Estate Finance Trust as special tax counsel in two public offerings of common stock and a collateralized loan obligation offering</p> <p>\$1.3 billion in aggregate</p>	 <p><b>NexPoint Real Estate Finance, Inc.</b> Represented the underwriters in a public offering of common stock and a debt offering of Senior Notes of NexPoint Real Estate Finance, Inc.</p> <p>\$135 million in aggregate</p>
 <p><b>Orion Office REIT Inc.</b> Represented Orion Office REIT Inc. in the establishment of an ATM program for common stock</p> <p>\$100 million</p>	 <p><b>Postal Realty Trust, Inc.</b> Represented Postal Realty Trust, Inc. in a public offering of common stock</p> <p>\$50 million</p>	 <p><b>Merchants Mortgage &amp; Trust Corporation, LLC</b> Represented Merchants Mortgage &amp; Trust Corporation, LLC in its sale to Toorak Capital Partners, LLC</p>
 <p><b>Rexford Industrial Realty, Inc.</b> Represented the underwriters in two public offerings of common stock of Rexford Industrial Realty, Inc.</p> <p>\$1.74 billion in aggregate X</p>	 <p><b>Summit Hotel Properties, Inc.</b> Represented Summit Hotel Properties, Inc. in its acquisition of a hotel portfolio from NewcrestImage</p> <p>\$922 million</p>	 <p><b>Sun Communities Operating Limited Partnership</b> Represented Sun Communities Operating Limited Partnership in a debt offering of Senior Notes</p> <p>\$600 million</p>





## THOUGHT LEADERSHIP

In 2022, our lawyers spoke on panels, were quoted in industry publications, and authored client alerts covering a range of topics in the real estate capital markets industry.

### EVENTS

[Advising the Board on M&A Transactions, PLI's Mergers & Acquisitions 2023: Advanced Trends and Developments, January 2023](#)

[Investment Banking Basics: Fundamentals of Capital Structures, Practising Law Institute's Pocket MBA 2022: Finance for Lawyers and Other Professionals, November 2022](#)

[Understanding the SEC's Climate Proposal for Public Companies, July 2022](#)

[REIT M&A, Nareit's REITwise 2022 Law, Accounting & Finance Conference, March 2022](#)

[IRC 732\(d\) Partnership and LLC Basis Adjustments for Tax Counsel, Strafford CLE, March 2022](#)

[Negotiating the M&A Agreement in the Time of Covid and Beyond, PLI's Doing Deals 2022: The Art of M&A Transactional Practice, March 2022](#)

[Practicum on Difficult M&A Issues, PLI's Mergers & Acquisitions 2022: Advanced Trends and Developments, January 2022](#)

### CLIENT ALERTS AND PUBLICATIONS

[Real Estate Capital Markets Fall Report](#)

[Real Estate Capital Markets Summer Report](#)

[Real Estate Capital Markets Spring Report](#)

[2023 SEC Reporting Guide, January 2023](#)

[SEC Unanimously Approves New 10b5-1 Plan Conditions and Expands Required Disclosures, January 2023](#)

[Proposed Regulations Contain Surprise on REIT Domestic Control, January 2023](#)

[Absorbing and Reacting to the SEC's New Clawback Rules, November 2022](#)

[Be Careful What You Ask for: Delaware Court of Chancery Cracks Down on Expansive "Sale of the Business" Noncompetes, November 2022](#)

[Court Addresses Extraordinary Dividend Paid in Connection with Merger, September 2022](#)

[A Quick Guide to Officer Exculpation Under Delaware Law, September 2022](#)

[REIT-Owned Solar Projects—New Opportunities Under IRA, September 2022](#)

[Court Finds Conflict of Interest Due to Private Equity Fund's Need to Sell Portfolio Company and Wind Up Investment Fund, September 2022](#)

[Do Companies Need to Amend Their Bylaws for Universal Proxies? September 2022](#)

[Tax Implications of the Inflation Reduction Act, August 2022](#)

[Annual Meeting Enjoined Over Quorum Change During Proxy Fight, August 2022](#)

[UPDATE: Senate Bill Will No Longer Include Carried Interest Provisions, August 2022](#)

[Updating Your Corporate and M&A Documents for 2022 Amendments to the DGCL, August 2022](#)

[Proposed Senate Bill Would Impact Carried Interests, August 2022](#)

[Regulatory watch: The SEC's proposed climate-change rules and some implications for REITs, Institutional Real Estate Inc., July 2022](#)

[Board Deadlock Requires Corporate Neutrality in Proxy Contest, June 2022](#)

[Recent FTC Enforcement Action Highlights Potential Antitrust Risks Arising From Non-Compete Provisions in M&A Transactions, June 2022](#)

[For Directors in Delaware, Voting Abstention is Not Guaranteed Protection, June 2022](#)

[Is Delaware About to Flex on SPACs? March 2022](#)

[Advance Notice Bylaw Precludes Hostile Bidder's Slate of Director Nominees, February 2022](#)

[DE Court Addresses Contractual Waiver of Stockholder Claims in a Sale, February 2022](#)

# RANKINGS & AWARDS

## CHAMBERS USA: AMERICA'S LEADING LAWYERS, 2022



**CAPITAL MARKETS: REITS**  
Practice Ranked Nationally



**GEORGE HOWELL**  
Named Eminent Practitioner



**DAVID WRIGHT**  
Ranked in Band 1



**KENDAL SIBLEY**  
Ranked in Band 1



**STEVE HAAS**  
Ranked in Band 2  
for M&A



**ROB SMITH**  
Ranked in Band 4



**JIM DAVIDSON**  
Ranked as Up and Coming

## LEGAL 500, 2022



**REITS**  
Practice Ranked Nationally



**GEORGE HOWELL**  
Named to Hall of Fame  
(partners who are at the  
pinnacle of the profession)



**DAVID WRIGHT**  
Named as  
Recommended Lawyer



**KENDAL SIBLEY**  
Named as  
Recommended Lawyer



**STEVE HAAS**  
Named as  
Recommended Lawyer  
for M&A



**ROB SMITH**  
Named as  
Recommended Lawyer



**JIM DAVIDSON**  
Named as  
Next Generation Lawyer

## Global M&A Network's Atlas Awards, 2022

Americas Corporate M&A Deal of the Year,  
Healthcare Realty Trust Incorporated \$18 billion  
combination with Healthcare Trust of America

Our Real Estate Capital Markets practice is part  
of the firm's broader Capital Markets practice,  
which has handled more than **850** equity and  
debt transactions, aggregating approximately  
**\$490 billion** over the past five years.

# RANKINGS & AWARDS

We figured prominently in *Bloomberg's* 2022 Global Legal Adviser League Tables, ranking among the **top 20** law firms across **23 capital markets categories**, finishing within the **top 10** in 12 of those categories.

## BLOOMBERG CAPITAL MARKETS RANKINGS, FY 2022

- |   |  |
|---|--|
| <b>#4 US Investment Grade Corporate Bonds</b><br>– Manager Ranked by Deal Count | <b>#11 Global Bonds</b><br>– Issuer Ranked by Volume                               |
| <b>#4 US Corporate Bonds</b><br>– Manager Ranked by Deal Count                  | <b>#12 US Investment Grade Corporate Bonds</b><br>– Issuer Ranked by Volume        |
| <b>#5 Global Bonds</b><br>– Issuer Ranked by Deal Count                         | <b>#13 US High Yield Corporate Bonds</b><br>– Issuer Ranked by Volume              |
| <b>#7 US Corporate Bonds</b><br>– Issuer/Borrower Ranked by Deal Count          | <b>#14 US Leveraged Finance</b><br>– Issuer/Borrower Ranked by Deal Count          |
| <b>#7 US Equity Linked</b><br>– Manager Ranked by Deal Count                    | <b>#14 US Corporate Bonds</b><br>– Issuer/Borrower Ranked by Volume                |
| <b>#7 US Investment Grade Corporate Bonds</b><br>– Issuer Ranked by Deal Count  | <b>#14 US Equity Offerings</b><br>– Manager Ranked by Volume                       |
| <b>#8 Global Bonds</b><br>– Manager Ranked by Deal Count                        | <b>#14 EMEA Corporate Investment Grade Bonds</b><br>– Manager Ranked by Deal Count |
| <b>#9 US Investment Grade Corporate Bonds</b><br>– Manager Ranked by Volume     | <b>#16 EMEA Loans</b><br>– Borrower Ranked by Volume                               |
| <b>#10 US High Yield Corporate Bonds</b><br>– Issuer Ranked by Deal Count       | <b>#18 US Leveraged Loans</b><br>– Borrower Ranked by Volume                       |
| <b>#10 Global Bonds</b><br>– Manager Ranked by Volume                           | <b>#19 EMEA Corporate Investment Grade Bonds</b><br>– Manager Ranked by Volume     |
| <b>#10 US Corporate Bonds</b><br>– Manager Ranked by Volume                     | <b>#20 US Equity Offerings</b><br>– Issuer Ranked by Volume                        |
| <b>#10 US Equity Linked</b><br>– Manager Ranked by Volume                       |  |

## REFINITIV CAPITAL MARKETS RANKINGS, FY 2022

- |  |   |
|--|---|
| <b>#9 US Straight Debt Including ABS &amp; MBS</b><br>– Manager Ranked by Deal Count         | <b>#15 All International Bonds</b><br>– Manager Ranked by Deal Count                      |
| <b>#9 US Debt, Equity &amp; Equity Related</b><br>– Manager Ranked by Deal Count             | <b>#16 US Straight Debt Excluding ABS &amp; MBS</b><br>– Issuer Ranked by Deal Count      |
| <b>#12 US Straight Debt Excluding ABS &amp; MBS</b><br>– Manager Ranked by Deal Count        | <b>#16 Global Debt, Equity &amp; Equity-related Ex FCA</b><br>– Manager Ranked by Volume  |
| <b>#14 US Debt, Equity &amp; Equity Related</b><br>– Manager Ranked by Volume                | <b>#17 Global Straight Debt Excluding ABS &amp; MBS</b><br>– Manager Ranked by Deal Count |
| <b>#14 Global Straight Debt Including ABS &amp; MBS</b><br>– Manager Ranked by Deal Count    | <b>#17 Global Straight Debt Excluding ABS &amp; MBS</b><br>– Manager Ranked by Volume     |
| <b>#14 US Straight Debt Including ABS &amp; MBS</b><br>– Issuer Ranked by Deal Count         | <b>#19 US Debt, Equity &amp; Equity Related</b><br>– Issuer Ranked by Volume              |
| <b>#14 Global Debt, Equity &amp; Equity-related Ex FCA</b><br>– Manager Ranked by Deal Count | <b>#21 US Straight Debt Excluding ABS &amp; MBS</b><br>– Issuer Ranked by Volume          |
| <b>#14 US Debt, Equity &amp; Equity Related</b><br>– Issuer Ranked by Deal Count             | <b>#22 Global Debt, Equity &amp; Equity-related Ex FCA</b><br>– Issuer Ranked by Volume   |
| <b>#15 US Straight Debt Excluding ABS &amp; MBS</b><br>– Manager Ranked by Volume            |   |





## DIVERSITY AND INCLUSION

We believe that the recruitment, retention and promotion of a diverse and inclusive workforce optimizes our ability to deliver excellent client service, including alignment with our clients' interests of staffing their legal teams with diverse talent. We are committed to being intentional in terms of implementing and promoting professional development opportunities and programming designed to appropriately recognize our women and minority lawyers and to provide career-enhancing pathways that will motivate them to grow and prosper at the firm.

### Diversity & Inclusion at Hunton Andrews Kurth LLP

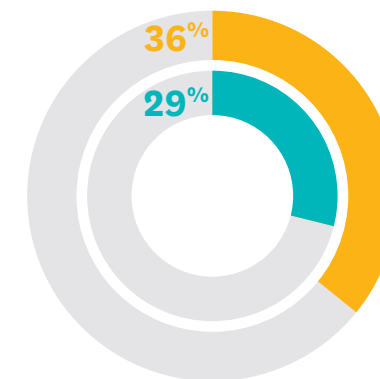
The **Diversity & Inclusion Committee** promotes a diverse and inclusive professional community founded on a culture of collaboration, respect, involvement and empowerment, working through six subcommittees to implement programming that keeps D&I top of mind.

Our **Talent Development Committee** leads the firm's sponsorship program, working closely with team and practice leadership on the professional development, retention and promotion of diverse lawyers.

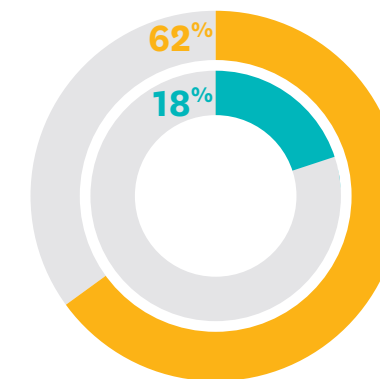
## MINORITY & WOMEN LAWYERS

*Information based on individuals' voluntary self-identification*

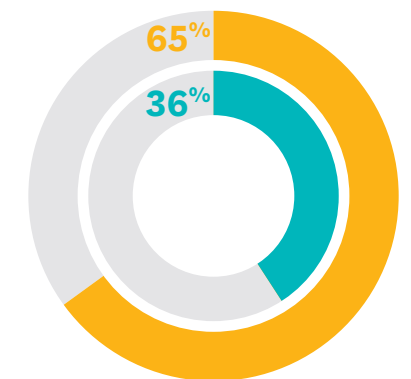
2022 NEWLY PROMOTED PARTNERS



2022 ENTRY-LEVEL ASSOCIATES



2022 SUMMER ASSOCIATES



■ Minority Lawyers ■ Women Lawyers

### Leadership Council on Legal Diversity

Hunton Andrews Kurth received LCLD's 2021 and 2022 "Top Performer" designation for expanding opportunities for diverse lawyers and its "Compass Award" which recognizes firms showing an exemplary commitment to LCLD's goal of creating a truly diverse U.S. legal profession.

Earned a **Perfect Score** and named a **Best Place to Work for LGBTQ Equality**, Human Rights Campaign, 2021-2022



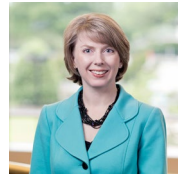
For two consecutive years, Bloomberg Law recognized the firm in its DEI Framework, highlighting exemplary D&I commitment based on six core pillars: demographics, leadership and talent pipeline, recruitment and retention, business innovation and strategy, marketing, and D&I in the community.

**100%**  
of our full-time U.S. lawyers participated in D&I initiatives during the past two consecutive fiscal years, recording over 15,700 hours. Eligible associates and non-attorney timekeepers receive billable hour credit toward D&I activities (up to 25 per year).

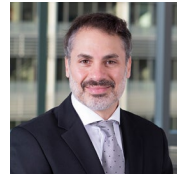


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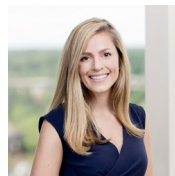
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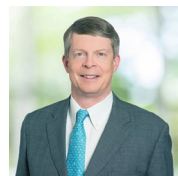
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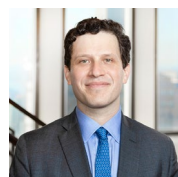
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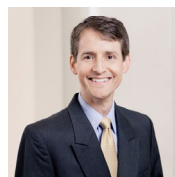
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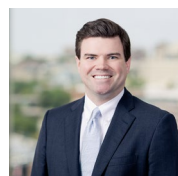
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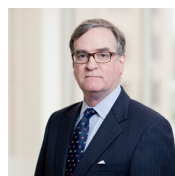
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## ABOUT US

Hunton Andrews Kurth LLP consistently ranks as one of the most experienced law firms with respect to real estate capital markets transactions, representing issuers, underwriters, sponsors and lenders in connection with structuring and financing publicly and privately owned real estate companies, including in particular real estate investment trusts (REITs). The firm regularly receives top tier national rankings for its work as both issuer's and underwriter's counsel in *Chambers USA*, *The Legal 500*, *Bloomberg* and *Refinitiv*.

Hunton Andrews Kurth has extensive experience in taking real estate companies public, both as REITs and as C corporations, and in subsequent financing transactions. We have handled approximately 155 IPOs and Rule 144A equity offerings and more than 1,100 capital markets transactions involving more than 210 REITs and other real estate companies. In the course of those and other engagements, we have worked closely with the leading investment banking firms, accounting firms and other professionals active in the real estate finance industry. As a result, our Real Estate Capital Markets Group is particularly well qualified to assist companies accessing the public capital markets as well as private capital sources.





# HUNTON ANDREWS KURTH

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