



## Edward J. Hannon

Partner

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### About

Edward J. Hannon, attorney and certified public accountant, advises clients on tax planning and tax-savings structures for real estate investments, developments, and joint ventures, with particular focus on Delaware Statutory Trusts (DSTs) and Section 1031 like-kind exchange planning. His practice spans three interconnected disciplines—real estate tax, transactional tax, and cross-border tax—allowing him to counsel clients on tax-driven structures involving real estate throughout the United States.

Ed brings deep knowledge of the regulations governing like-kind exchanges under Section 1031 of the Internal Revenue Code and regularly advises on the use of Delaware Statutory Trusts and tenant-in-common structures to facilitate the exchange process. He counsels sponsors, funds, and REITs on DST formation, master lease structuring, UPREIT conversions, bridge equity arrangements, post-exchange refinancing, and drop-and-swap transactions.

His practice extends to both emerging sponsors and established real estate funds seeking to use DSTs to increase capitalization, helping clients navigate the tax-oriented issues unique to DST financing and loan structures. His guidance on sponsor structuring, investor suitability, and integration with 1031 exchange timelines helps clients move efficiently from offering design to capital raise. Ed also brings significant experience advising existing owners and equity providers on the tax and structural challenges presented by distressed real estate.

Ed also provides tax guidance and represents buyers and sellers in mergers and acquisitions of privately held businesses, drafting and negotiating tax representations, tax-sharing provisions, and indemnification language in stock purchase agreements, membership interest purchase agreements, and asset purchase agreements. He has also represented several European and Middle Eastern-based companies and investors acquiring U.S. real estate and operating businesses, developing structures to address withholding tax, tax reporting, and repatriation planning.

A frequent panelist on webinars and symposiums addressing tax planning for real estate transactions, Ed has also served as adjunct faculty at DePaul University Graduate School of Business in its MBA program where he taught a course on tax and structural planning for real estate transactions.

### Experience

Represented a Colorado-based real estate company in connection with the adoption of a DST structure by a first-time sponsor involving a self-storage facility in Texas. The DST offering was \$15.5 million. The DST acquired the property from an existing affiliated real estate fund using a \$13.5 million affiliate-funded bridge equity structure. There was no mortgage debt involved.

Represented a Dallas, Texas-based real estate company that had several existing real estate funds in connection with the adoption of a DST structure by a first-time sponsor involving a multifamily residential property in Texas. The DST offering was \$29.6 million and involved a \$35.5 million loan from a CMBS lender. The offering also included \$22.9 million of bridge equity from a third-party provider.

Represented a California-based real estate company in connection with the adoption of a DST structure involving multiple manufactured housing parks located in Michigan, Ohio and Pennsylvania using a ground lease structure. The DST offering was \$32.8 million. The DST acquired the property using a \$31 million loan from a CMBS lender.

Represented an Austin, Texas-based real estate company that had several existing real estate funds in connection with the adoption of a DST structure involving a portfolio of single-family homes held for rental in several states. The DST offering was \$18.4 million and involved a \$16.5 million affiliate-funded bridge equity structure. There was no mortgage debt involved.

Represented a California-based real estate company in connection with the adoption of a DST structure involving a multi-tenant retail property in California. The DST offering was \$18 million. The DST acquired the property from a related party using a \$35.5 million loan from a CMBS lender. The transaction also included selling financing and a third-party-funded bridge equity structure.

Represented a real estate investment company in connection with a \$52 million sale leaseback with CMBS debt financing and a DST private placement securities offering for a triple net lease building in Connecticut.

Represented a North Carolina-based real estate company in connection with the adoption of a DST structure involving a multi-family property in Virginia. The DST offering was \$54.7 million and the acquisition was funded with approximately \$45 million of agency debt.

Represented a CMBS lender in the financing of a major single-tenant-operated facility in Illinois, with a DST borrower ownership structure.

Counseling a foreign real estate company in the acquisition of a U.S. hotel property, coordinating cross-border tax planning with an international accounting firm to minimize U.S. withholding tax and tax reporting requirements.

Representing real estate owners in like-kind exchanges and the development of post-exchange refinancing structures, including issuance of a tax opinion on extraction of refinancing proceeds on a tax-free basis.

Advising a Chicago-based developer on a joint venture with an existing property owner to develop an industrial property, negotiating tax allocation provisions.

Representing a Swedish-based technology company in the negotiation of joint venture agreements for the expansion of its business into the United States.

Counseling the owners of a closely held manufacturing corporation in a stock sale to a U.S. buyer,

developing a structure for tax-free rollover of management-held shares.

Representing a German-based company in the sale of a U.S. subsidiary to a strategic buyer, negotiating tax sharing provisions and minimizing U.S. tax withholding on distribution of sale proceeds.

Advising a U.S.-based real estate company in connection with a \$135 million loan for a Manhattan office-to-residential conversion.

Advised real estate funds and REITs on adoption of DST structures for capital raising, including offerings ranging from \$15.5 million to \$75 million across multifamily, industrial, self-storage, manufactured housing, and senior living assets.

## Honors

Selected as an Illinois Leading Lawyer in Real Estate Finance and Business Tax by Leading Lawyers Network, 2017 – present

Leading Layers – International Business and Trade Law, Real Estate Law and Finance and Tax Law, 2012

Irish Legal 100, 2012

Illinois Super Lawyers, 2010 -2017

Recipient of the Distinguished Alumni medal from St. Ignatius College Prep, 2008

## Affiliations

Certified Public Accountant, Illinois

Illinois CPA Society (Board of Directors, 2009–2017; Chairperson, 2015–2016; Board Member, CPA Endowment Fund, 2017–present; Chair, Political Action Committee)

American Institute of Certified Public Accountants (Former Member, Governing Council)

ADISA (Alternative and Direct Investment Securities Association)

American Bar Association

Ireland Network of Chicago

DePaul University Graduate School of Business, Adjunct Faculty (1998–present)

## Related Services

Corporate and Tax

Delaware Statutory Trusts (DSTs)

Real Estate

## Education

Georgetown University Law Center, LL.M.

- Taxation, With Honors

Loyola University Chicago School of Law, J.D., 1991

Saint Louis University, B.S.

- Business Administration (Accounting), With Honors

**Admissions**

Illinois

**Courts**

U.S. Tax Court