

ADLER & STACHENFELD

ALUMNI BRIEF



DEAR ALUMNI,

Dear Alumni,

We hope you are managing to stay cool in what has so far been a hot summer.

Since our last issue, the Firm has experienced an exciting period of growth, adding three new partners, a senior counsel, and several associates (read more about that in this newsletter). Also in this issue, we highlight updates about the Firm and the latest on the “One Big Beautiful Bill.”

We hope you enjoy this issue, and please keep us up to date with your current whereabouts and job movements!

Brian and Risa



Brian Blitz and Risa Letowsky
Alumni Committee Co-chairs

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WHERE ARE YOU NOW?

Please email alumni@adstach.com with your updated contact information and mailing address to let us know what you have been up to lately and to receive a gift from the Alumni Committee.



NEW TAX BILL AFFECTING REAL ESTATE | ONE BIG BEAUTIFUL BILL ("OB BB")

On **July 4, 2025**, the **One, Big, Beautiful Bill ("OB BB")**, a **broad spending and tax bill**, was signed into law. The following highlights several key areas that may be of interest to real estate investors and developers.

Tax Rates and Standard Deduction:

- Similar to the House bill, the final bill generally makes permanent the tax rates enacted by the 2017 Tax Cuts and Jobs Act (TCJA). The bill also makes permanent the TCJA's increased standard deduction amounts.
- For tax years beginning after 2024, the standard deduction increases to \$15,750 for single filers, \$23,625 for heads of household, and \$31,500 for married individuals filing jointly. The standard deduction is then adjusted annually for inflation.

SALT Cap:

- The final bill temporarily increases the limit on the federal deduction for state and local taxes (the SALT cap) to \$40,000 (from the current \$10,000). In 2026, the cap is \$40,400, which increases by 1% annually, through 2029. Starting in 2030, it reverts to the current \$10,000.
- The deduction also phases down for taxpayers with modified adjusted gross income (MAGI) over \$500,000 (in 2025). The MAGI threshold is adjusted for inflation through 2029.
- The phasedown reduces the taxpayer's SALT deduction by 30% of the excess over the threshold. However, the SALT deduction cannot be reduced below \$10,000.
- The House bill had also increased the SALT cap to \$40,000, but attempted to prevent certain taxpayers from avoiding the cap by restricting specified service trades or businesses from deducting state and local income taxes, thus limiting the usefulness of state passthrough entity tax (PTET) structuring. As the final bill does not restrict this, the PTET workaround to avoid the SALT cap remains available.

QBI Deduction:

- The final bill makes permanent the Sec. 199A qualified business income (QBI) deduction. While the House bill proposed increasing the deduction to 23% of QBI, the final bill retains the existing 20% rate. However, the income thresholds for limitation purposes are increased, allowing more high earners to benefit.

Opportunity Zones:

- The final bill includes a new and separate permanent rolling 10-year period beginning Jan. 1, 2027. It maintains the current OZ designation process, but narrows the eligibility requirements. The changes generally take effect Jan. 1, 2027.

REIT Provisions:

- The House bill allowed Taxable REIT Subsidiaries (TRSs) to comprise an increased 25% of a REIT's assets. The final bill leaves the current limitation at 20%.

Bonus Depreciation for Qualified Production Property:

- The final bill provides for an elective 100% depreciation allowance for "qualified production property," which is the portion of any U.S. nonresidential real property that is originally used by the taxpayer as an integral part of a "qualified production activity." Eligible property must be placed in service after the date of enactment and before January 1, 2033 (if construction begins after January 19, 2025, and before January 1, 2029). Qualified production activity includes manufacturing, production or refining of tangible personal property that results in a substantial transformation of tangible personal property. This is similar to the House bill.

Research-and-Development Expenses:

- The final bill allows taxpayers to immediately deduct domestic research or experimental expenditures incurred in tax years beginning after Dec. 31, 2024. However, research conducted outside the United States continues to be capitalized and amortized over 15 years under Sec. 174. Small business taxpayers with average annual gross receipts of \$31 million or less generally are permitted to apply this change retroactively to tax years beginning after Dec. 31, 2021.

Limitation on Business Interest:

- The final bill reinstates the EBITDA limitation under Sec. 163(j) for tax years beginning after Dec. 31, 2024. Therefore, for purposes of the Sec. 163(j) interest deduction limitation for these years, adjusted taxable income is computed without regard to the deduction for depreciation, amortization, or depletion.

Mortgage Interest Deduction:

- The final bill permanently extends the TCJA's provision limiting the Sec. 163 qualified residence interest deduction to the first \$750,000 in home mortgage acquisition debt. It also permanently excludes home equity loans from the deduction for qualified residence interest.

Carried Interest:

- The bill does not include any changes to the carried interest rules.

News & Insights

"OBBS" (CONTINUED)

Section 899 Revenge Tax:

- The House bill included a proposed Section 899 "revenge tax" that would have imposed increased tax rates on certain affected taxpayers connected to countries deemed to impose unfair foreign taxes. The Treasury Department struck a deal with various G-7 countries in late June that will exclude US companies from certain foreign taxes. In exchange, Treasury asked the Senate and House to remove this Section 899 "revenge tax" from the next versions of the tax bill. The final bill does not include this revenge tax.

Reach out to Mitchell Snow, Chair of our Tax Practice, with any questions.



Mitchell Snow
Tax Chair
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A&S LAUNCHES CONDOMINIUM & COOPERATIVE PRACTICE

Adler & Stachenfeld LLP has announced the launch of our Condominium and Cooperative Practice, marking a significant expansion of our real estate legal services as the Pure Play in Real Estate Law®.

This expansion is bolstered by the addition of Hillary Potashnick and her team, who recently joined the Firm from the real estate boutique law firm of Seiden & Schein. Ms. Potashnick, who will chair the practice, brings over 30 years of deep experience in condominium and cooperative law.

Prior to joining A&S, Ms. Potashnick was previously Senior Counsel at Seiden & Schein and played a lead role in the development of some of New York City's most notable residential and mixed-use condominium projects, including new construction, gut rehabilitations, and conversions. Her extensive knowledge and legal acumen in navigating the complex regulatory framework of the New York State Department of Law (Attorney General's Office) make her an invaluable asset to the firm and its clients.

The formation of this new practice group reflects Adler & Stachenfeld's commitment to providing comprehensive legal services across all facets of real estate

development, ownership, and management. It is also timely, as we navigate New York's regulatory requirements and ever-changing policies.

The Condominium and Cooperative Practice will focus on the following key areas:

- Registration and Advocacy Before the Attorney General's Office
- Purchases, Sales, and Financing
- Preparation and Filing Offering Plans
- New Development of For Sale Condominiums
- No-Action Letter Condominiums
- Ground and Master Leasehold Condominiums
- Conversions of Existing Properties to Cooperative and Condominium Regimes
- Condominium Creation to Maximize the Use of Tax Incentives

For more information on the Condominium and Cooperative Practice, please contact our Chair, Hillary Potashnick.



Hillary Potashnick
Condominium & Cooperative Chair
hpotashnick@adstach.com

PRO BONO CORNER

Risa Letowsky, Leasing Co-Chair, was recently appointed to the Board of City Living New York.

City Living is an organization that supports youth aging out of the foster care system by providing desperately needed basic resources, such as food, clothing, and shelter, as well as counseling, education, and access to job training programs.

To learn more about this organization please visit their website at <https://www.citylivingnewyork.org/> or contact Risa.



Risa Letowsky
Leasing Co-Chair
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ALUMNI *Spotlight*



A CONVERSATION WITH KATHERINE CHEW

INTERVIEWED BY REAL ESTATE ASSOCIATES
JENNA IMBROGNO AND MICHELLE TORGMAN

A&S Real Estate Associates Michelle Torgman and Jenna Imbrogno recently caught up with Kat Chew, a former Real Estate Associate at A&S, to hear about her career journey since leaving the firm, her current role at IHG Hotels, and the lessons she has learned along the way.

Q: Tell us about your time at A&S and what you have been up to since.

A: A&S was my first job out of law school—I even summered there. I really enjoyed the people and found the work incredibly engaging. One of the highlights was something A&S called a “deal crawl,” where the firm would take us out to see various project sites and properties from the deals we worked on. It was awesome to see the deals the firm worked so hard on come to life.

As a junior associate at A&S, I received excellent training from partners, senior, and midlevel associates alike. Everyone was approachable and generous with their time. I was grateful that the firm always supported my interest in getting exposure to various types of transactions, including real estate finance, equity and JVs, leasing, and development work.

After A&S, I moved back to my hometown of Atlanta to work at Realty Income Corporation, where I focused on leasing and development before then joining IHG Hotels. For the past two years at IHG Hotels, I’ve been working on hotel

management agreements, transactions involving capital investments (like JVs or mezzanine or mortgage financing), branded residential projects, asset management matters involving our managed or owned hotels, and M&A work.

Q: What do you love most about your current role?

A: Honestly, it is the learning. Hospitality was new to me, so getting to understand the business model and how everything fits together has been really rewarding. I am lucky to be able to work with a team that is collaborative and helpful. Many of my colleagues also did not come from a hospitality background, so there is a shared sense of curiosity and support.

Q: What has been the biggest challenge in your current role?

A: I would say the biggest challenge has been getting up to speed on areas I was less familiar with, such as M&A and the broader hospitality industry. There is a learning curve, but it is also what keeps things exciting!

Q: How did your time at A&S prepare you for this role?

A: The attention to detail and ability to issue spot I developed at A&S have been invaluable. I also learned how to evaluate and analyze risks and clearly communicate those risks to my business counterparts as well as my team.

ALUMNI *Spotlight*

Q: What do you miss most about A&S?

A: The people. I had a small class year, which made it easy to build close relationships. The sense of camaraderie at A&S is something that always stood out.

Q: Do you have a favorite A&S memory?

A: The Halloween parties (shout out to Beth Turtz)! They were so fun and really brought excitement to the firm.

Q: Have you had mentors throughout your career?

A: Definitely. For me, mentorship developed organically. I found people I instantly clicked with who became my trusted confidants. One mentor in particular, Elsa, had a huge impact on me. We worked on an international deal together and she walked me through everything step-by-step. She was someone I could go to with questions, both professional and personal, and we still keep in touch. Once you find someone like that, it is important to maintain that connection.

Q: What do you enjoy doing outside of work?

A: Tennis has become a big part of my life. I took lessons in high school, and now I play on a team with weekly matches. We take it pretty seriously—we even have a strategy group chat! It is a great way to de-stress and build a sense of community.

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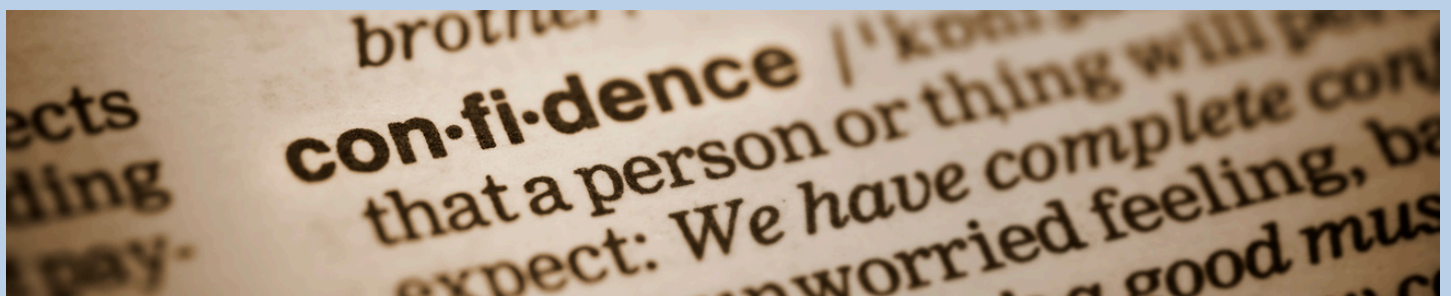
Q: WHAT CAREER ADVICE WOULD YOU GIVE YOUR YOUNGER SELF?

A: BE MORE CONFIDENT. DON'T ALWAYS SECOND-GUESS YOURSELF OR GET CAUGHT UP IN WORRYING ABOUT THINGS OUTSIDE OF YOUR CONTROL. I DEFINITELY HAD IMPOSTER SYNDROME EARLY ON AND IT TOOK ME SOME TIME TO OVERCOME THAT. SO NOW, LOOKING BACK, I WOULD SAY TRUST YOUR INSTINCTS AND DO NOT BE AFRAID TO ASK QUESTIONS.

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Q: Any final thoughts for your fellow A&S alums?

A: They are all incredible, thoughtful, and talented attorneys. I am constantly amazed by everything they accomplish.



RECENT HIRINGS AND RETIRINGS

So far in 2025, A&S has added three partners, one senior counsel, and over five new associates and support staff. In March, Ryan McCaffrey joined us as a Real Estate Partner from client Post Brothers. Ryan brings a unique set of skills having practiced in Big Law, spent over a decade working as the Chief Legal Officer at Post Brothers, served as general counsel for affiliated general contractors, manufacturing, and property management companies, and, with such a diverse wealth of experience, understands the nuances of the “dirt” real estate business and the complexity of structured finance with an eye on how to scale a business.

In May, six attorneys from Seiden & Schein, P.C., one of New York’s leading real estate boutique law firms representing the most sophisticated of developers, joined the Firm. This included named and founding partner Alvin Schein, senior counsel Hillary A. Potashnick, partner Stacy E. Jacobson, and a bench of associates and support staff. Alvin now co-chairs our New York City Tax & Zoning Incentives Practice with Tyng Patka and Hillary will lead our newly launched Condominium and Cooperative Practice.



Ryan McCaffrey



Alvin Schein



Hillary Potashnick



Stacy Jacobson

STEPHEN LAND RETIRES

Stephen Land has officially retired and has been enjoying well-deserved time with family and friends in Vermont. That said, he hasn’t left us entirely—Stephen has already visited and will remain in touch, especially with Mitchell, whom he mentored.

