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CALIFORNIA

TRAILBLAZERS

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JULIAN KLEINDORFER LATHAM & WATKINS LLP



PIONEER SPIRIT Julian Kleindorfer knows why clients want his help designing the tax-advantaged investment vehicles known as real estate investment trusts, or REITs: “We’ve been hired when something is really hard and hasn’t been done before.” Kleindorfer and his team have helped redefine the assets that qualify as REITs, leading cutting edge transaction through the Internal Revenue Service to allow not just office buildings, retail space and apartment complexes to qualify as REITs, but also data centers, electric transmission lines and even private prisons.

TRAILS BLAZED Kleindorfer entered the world of REITs in 2002 when he handled the initial public offering for the company that then dominated the Class A office-space market in downtown Los Angeles. After that, he rode a “wave” of similar transactions, as more and more South California real estate developers went public. He lead the transaction establishing the first data center REIT, Digital Realty Trust, , a deal that “broadened the scope of the industry in ways people hadn’t thought of.” Of the approximately 150 publicly traded trusts on the MSCI US REIT Index (RMZ), Kleindorfer worked on IPOs for approximately 10% of them.

FUTURE EXPLORATIONS Kleindorfer continues to be involved in the search for new asset classes – “food groups,” he calls them – to turn into REITs. One company he is working with is an cold storage company. At the same time, Kleindorfer, who also maintains an active mergers and acquisitions practice, still works on traditional REITs. But he sees real estate private equity starting to heavily impact and compete with the REITs market. His practice is “moving into these adjacent spaces of real estate private equity and making sure our public-markets and REIT practice works hand in hand with our real estate folks to capitalize on private equity opportunities. Everything continues to shift and move a bit, and we try to stay ahead of it.”