

Virginia Leggett Stevenson

Partner

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OVERVIEW

Virginia Stevenson is a partner in the Charlotte office and focuses her practice on mortgage and asset-backed securities, debt instruments and modifications, and the tax issues of regulated investment funds (RICs), real estate investment trusts (REITs) and real estate mortgage investment conduits (REMICs). She has represented underwriters, servicers, and trustees in all aspects of securitization transactions, including developing novel structures in agency REMICs.

PROFESSIONAL BACKGROUND

Virginia served as a law clerk to The Honorable Gerald B. Hanifan, New Jersey Superior Court from 1996-1997.

PROFESSIONAL / CIVIC ACTIVITIES

- Assistant Scoutmaster, Troop 3, Myers Park Methodist Church
- Executive Board, Mecklenburg County Council, Scouts BSA
- American Bar Association, Chair, Basis and Adjustments to Basis Subcommittee; Sales, Exchanges, and Basis Committee; Taxation Section
- American Bar Association, Taxation Section, John S. Nolan Fellow, 2004-2005
- Sustainer, Junior League of Charlotte
- William & Mary Class of 1993 10th Reunion Gift Committee
- William & Mary Class of 1993 15th Reunion Gift Committee
- William & Mary Class of 1993 20th Reunion Gift Committee
- William & Mary Class Ambassador

SPEAKING ENGAGEMENTS

- "FIRPTA Fundamentals," March 2018
- “Introduction to REMICs,” March 2018
- “Introduction to Original Issue Discount,” February 2017
- "FIRPTA Fundamentals," February 2016
- “REMIC Terminations,” February 2015
- "An Introduction to LIBOR, Its Recent Unpleasantness, and Its New Administrator," May 2014
- “Interest, Unstated Interest, & Original Issue Discount: Issue-Spotting, Analysis, and Disclosure Issues,” May 2013
- "REMIC Tax Rules," November 2011
- "Commercial and Residential Loan Modifications," February 2008
- "REMIC Loans: Can We Codify What it Means to Modify?" panelist at The American Bar Association Sections of Taxation and Real Property, Probate and Trust Law, October 2007
- "Swap and Defease; Can it be Done with Ease?" panelist at The American Bar Association Tax Section Meeting, January 2007
- "Section 199 Regulations," panelist at The American Bar Association Sections of Taxation and Real Property, Probate and Trust Law, 2006 Joint Fall CLE Meeting, October 2006
- "Code Section 199 for Real Estate Transactions," presentation at Real Estate Conference, May 2006
- "Advanced 199 for Real Estate," presentation to American Bar Association, Taxation Section, 2006
- "New Proposed 199 Regulations: How They Affect the Structure of Real Estate Transactions" presentation to the American Bar Association, Joint Meeting of the Taxation and Real Property, Probate and Trust Law Sections, 2005
- "Non-Debt Instrument Realization Events," American Bar Association, Taxation Section, 2005
- "Young Lawyers Initiation to Section 1031 Like-Kind Exchanges," American Bar Association, Taxation Section, 2005
- "The Tax Treatment of Acquired Contingent Liabilities," American Bar Association, Taxation Section, 2004
- "New Developments in Depreciation," Outline for American Bar Association, Taxation Section, 2004
- "Impact of the Jobs and Growth Tax Relief Reconciliation Act of 2003," presentation to the American Bar Association, Joint Meeting of the Taxation and Real Property, Probate and Trust Law Sections, 2003
- "Section 121: the Road Not Taken and the Questions that Remain," American Bar Association, Taxation Section, 2003

- "Tax and Estate Planning for Foreign Nationals," 2003
- "Is Tax Structuring Still Possible?," American Bar Association, Taxation Section, 2003

EDUCATION

- LL.M., New York University School of Law, 1998
- J.D., Washington and Lee University School of Law, 1996 *(Environmental Law Digest, Managing Editor)*
- B.A., College of William and Mary, 1993 *(with honors)*

ADMISSIONS

- Bar of District of Columbia
- Bar of New Jersey
- Bar of North Carolina

THOUGHT LEADERSHIP *POWERED BY HUB*

- 14 December 2021, COVID-19: Revenue Procedure 2021-53
- 13 April 2021, The End is Nigh-Bor For Good Old LIBOR: Important Transition Dates as New York Legislative Fix Becomes Law
- 27 January 2021, COVID-19: Revenue Procedure 2021-12 Extension Of Treatment Of Mortgage Loan Forbearances And Modifications For Mortgage Loans In REMICS And Fixed Investment Trusts And DSTs Used For 1031 Exchanges
- 27 April 2020, COVID-19: Revenue Procedure 2020-26 (April 13, 2020) and the CARES Act
- 27 April 2020, COVID-19: Distressed Debt and Tax - Part I - Lender and Debt Holder Considerations
- 6 February 2018, Tax Reform and Investment Management: Effect on Registered Investment Companies
- 29 December 2017, Tax Reform and Investment Management: Initial Observations
- 6 October 2016, Federal Tax Guidance Regarding RICs' Investments in Commodities, Certain PFICs, and "Securities"
- 13 May 2016, IRS Guidance Regarding Money Market Mutual Funds

OTHER PUBLICATIONS

- "Tax Treatment of Contingent Liabilities," co-authored with Todd B. Reinstein, *Journal of Taxation and Regulation of Financial Institutions*, May/June 2005

NEWS & EVENTS

- 3 March 2022, K&L Gates Advises Vertical Bridge in $1.4 Billion Asset-Backed Securitization

AREAS OF FOCUS

- Tax
- Debt Capital Markets
- Payments, Banking Regulation, and Consumer Financial Services
- Real Estate Finance
- Restructuring and Insolvency
- Securitization and Structured Finance

REPRESENTATIVE EXPERIENCE

- Represent underwriters of Ginnie Mae, Freddie Mac, and Fannie Mae REMIC and grantor trust certificates.
- Obtained private letter rulings to financial institutions regarding the creation of floating-rate and inverse floating-rate grantor trust certificates in the Ginnie Mae multiclass certificates program.
- Obtained private letter rulings for REITs for 9100 relief.
- Provided REMIC tax advice for new issuances of securities backed by pools of reperforming and non-performing mortgages; provide REMIC tax advice regarding trust amendments and terminations.
- Assisted a REIT with asset acquisition involving REIT tax qualification issues relating to large LED sign.
- Analyzed property identification issues with respect to 1031 exchanges.
- Provided advice to various mutual funds regarding LIBOR cessation and transition to SOFR.
- Provided advice on avoiding "taxable mortgage pool" status.
- Represented a sovereign wealth fund in the creation of grantor trust investment structure and purchase of mortgage loans.
- Represented a mortgage REIT in creation of grantor trust investment structure and purchase of small-balance commercial mortgage loans.
- Served as tax counsel to a mortgage REIT on various matters, including merger-related tax matters and opinion.
- Served as general tax counsel to a mortgage REIT.
- Provided tax assistance with various reorganizations and tax-free mergers of mutual funds.

- Provided advice to a REMIC trustee regarding tax consequences of settling representation and warranty litigation against loan seller.
- Provided advice regarding tax treatment of Regulated Investment Companies (RICs) and tax-related disclosure items.
- Provided advice regarding tax disclosures related to self-directed IRAs that invest in RICs.
- Served as tax counsel on numerous securitizations and repo transactions backed by nonperforming and reperforming residential mortgages.
- Represented entities of a global fixed-income investment firm as buyer's counsel on numerous residential and commercial mortgage purchases; provide additional structuring and tax advice for new entities and business relationships.
- Provided advice to a REMIC trustee regarding tax consequences of settling representation and warranty litigation against loan seller and providing for various servicing improvements.
- Advised a REIT on tax implications of TBA investments.
- Advised an indenture trustee with respect to various items relating to defaults.
- Provided tax advice regarding the income tax treatment of employment severance payment.
- Represented investment trusts in tax litigation with IRS and state tax authorities.
- Served as trustee's counsel on new CMBS issuances, modifications, and terminations.
- Provided tax advice in REMIC securities litigation.
- Provided tax advice with regard to Code section 1033 exchange.
- Served as general tax counsel to various non-mortgage REITs.
- Represented investment trusts in connection with tax and insolvency matters.
- Assisted a REIT with tax issues involving solar energy, equipment, and net metering issues.
- Assisted a REIT with REIT tax compliance and inbound investment issues.