ArentFox Schiff LLP
Attorneys

Les Jacobowitz

PARTNER

Les has over 30 years of experience representing corporations (including not-for-profits), governmental issuers, underwriters, and financial institutions in domestic and international transactions.



Industries

Health Care
Nonprofits & Associations
— Higher Education
Public Finance

Practices

Financial Restructuring & Bankruptcy
— Indenture Trustees, Agents & Corporate Trust Services
Finance
— Derivatives
Real Estate
— Acquisitions & Dispositions
— Real Estate Development
— Real Estate Finance - Borrowers
— Real Estate Finance - Lenders
— Real Estate Litigation
— Real Estate Workouts, Restructuring & Distressed Debt
Pro Bono
Insurance & Reinsurance

Education

University of California, Los Angeles, School of Law, JD

UCLA Anderson School of Management, MBA

University of Pennsylvania, The Wharton School, BS, Economics

Offices
New York

Phone
212.492.3315

Email
les.jacobowitz@afslaw.com

Les has provided counsel on deals exceeding $25 billion, as well as restructurings and workouts of an additional $50 billion. He has worked with governmental entities, private companies, banks, investment banks and funds in all aspects of financing, including the lending, securitization, real estate, public finance, not-for-profit, health care, restructuring, energy & environment and infrastructure & privatization financing areas, and related litigation.

He represents clients in diverse transactions involving commercial and economic development, nursing homes, hospitals, assisted living facilities, university and student loans, and multifamily and single-family housing.

Les is also a prolific speaker and author on the threat and impact of the LIBOR transition and has successfully worked with clients to negotiate fair terms regarding the LIBOR transition so as to ensure economic equivalence in the transition.

Special Recognitions

In November 2011, Les was named in the annual rankings of *The Financial Times* for his standout innovative work with Fannie Mae, Freddie Mac, Federal Housing Finance Agency and the US Department of the Treasury in connection with their $24 billion programs to stabilize the housing finance market. He has worked on an international toll bridge facility that was selected by the *Institutional Investor* as one of its deals of the year.

Les also heads the firm's New York *pro bono* efforts and has received the Marc L. Fleischaker Pro Bono Award for his work helping the Center for New York City Neighborhoods launch its New York State Mortgage Assistance Program (MAP) with the Office of the New York State Attorney General, as a follow-up to his work on Hurricane Sandy rebuilding efforts with New York City. For his work coordinating and financing nine adult day care facilities for people with AIDS in the city of New York and the surrounding suburbs, he received special recognition from New York state and the AIDs organizations.

He also received an award from the Louisiana State Bar Association for his *pro bono* work with New

Orleans Legal Assistance, the Housing Authority of New Orleans, the City Council, and the US Department of Housing and Urban Development (HUD) to preserve the ownership rights of low-income families that had been obtained over the years in their lease-to-own project.

In addition to these special recognitions, Les is also recognized by *Best Lawyers* for his work in Public Finance Law, and he is considered a Recommended Lawyer by *Legal 500 US.*

He currently serves as Program Coordinator for the Public Interest and Courts Community of the DC Bar.

Bank Financing & Securitization

Les is experienced in financings involving asset-backed securities (ABS), collateralized debt obligations (CDOs), collateralized loan obligations (CLOs), and commercial mortgage-backed securities (CMBS), representing issuers, investment banks, funds, liquidity banks, and credit enhancers. He helped form the first trust certificate program securitized by low-income housing bonds in the 1990's. Les also helped establish the first short-term option certificate program secured by outstanding debt in the 1980's, and securitizations relating to new asset classes such as television rights and timber revenues.

He represented Fannie Mae and Freddie Mac in the purchase by the US Department of Treasury of $13.5 billion of GSE securities backed by a portfolio of bonds (New Issue Bond Program), and bond liquidity and credit enhanced multistate pooled single family and multifamily transactions of $8 billion (Temporary Credit and Liquidity Program), the major successful US initiatives dealing with failed liquidity and lack of long-term financing access in connection with the prior housing crisis. For both programs, Les drafted many of the template documents and assisted in overseeing program implementation. These transactions involved nearly 100 state and local governmental issuers.

Real Estate

Les assisted Silverstein Properties in the $1.6 billion financing of 3 World Trade Center involving three separate layers of debt and complicated security provisions, including a partial backstop guarantee from The Port Authority of New York and New Jersey, as well as blending bond and CMBS structuring into one transaction. This was the largest unrated tax-exempt transaction (at the time), where he represented large mutual funds, real estate funds, and opportunity funds. He had a similar role in the American Dream retail/entertainment project in New Jersey, one of the largest retail centers in the country.

He recently closed on a multi-use real estate financing for the National Urban League's new headquarters and civil rights museum, to be located in Harlem. The National Urban League is a civil rights organization dedicated to economic empowerment, equality, and social justice on behalf of African-Americans and other historically underserved communities.

Public Finance

He is experienced in the securitization of pools of unrated tax-exempt multifamily housing bonds. He worked on nearly 50 bond financings aggregating to approximately $1.8 billion of tax-exempt and taxable bonds for the New York City Housing Development Corporation. Les was also involved in the state of Connecticut's first issuance of residual interest bonds and New York state's first variable rate, multimodal financing. He also handled the following unique transactions in New York: the largest multifamily pooled financing; the first take-out financing of a project in bankruptcy (involving a public housing project); all of the transitional housing facilities for the homeless, and the first two bond bank deals.

In 2020, Les helped establish, from scratch, the $500 billion Municipal Liquidity Facility with the Federal Reserve Bank of New York. This facility provided assistance to state and local governments, and their authorities, to deal with liquidity and capital issues as a result of the COVID-19 pandemic.

Bankruptcy, Financial Restructuring & Work-Outs

Les serves as a bridge between the real estate, finance, and bankruptcy groups in work-outs of real estate, finance, and securitization transactions.

Les worked on various restructurings which included, *inter alia*, the closing of the "open" pooled nature of various programs and unwinding of securitization programs. He has worked on several work-outs of multifamily housing loan, tax credit, and bond transactions involving extensive negotiation with government issuers, HUD, bankruptcy trustees, bond funds, tax credit syndicators, borrowers, underwriters, bond counsel, credit enhancers, bond trustees, and lending institutions. He has done parallel work in the not-for-profit health care financing area.

He also took the lead in a pre-pack bankruptcy involving two securitizations and worked on all real estate and finance related matters in the Section 363 bankruptcy sale of 12 single family housing developments containing approximately 150 homes from the second largest single family housing developer in New Jersey.

In 2013, Les prepared an in-depth analysis of Puerto Rico that presaged the significant financial troubles relating to its $70 billion in debt and $30 billion in pension liabilities. This included an analysis of (i) the constitutional and statutory framework governing the Commonwealth as a territory, (ii) general obligation and COFINA bonds and the nature of their priorities, (iii) various other Commonwealth bonds including those subject to clawback, (iv) pension, pension bonds and OPEBs, and (v) the role of Government Development Bank in Commonwealth financing.

More recently for Puerto Rico, he assisted COFINA, the governmental entity created to enable the Commonwealth to borrow on a rated basis, in the restructuring of $18 billion of tax-exempt bonds to $12 billion of tax-exempt bonds. This included the bond and related indenture issues, and the ultimate creation of a trust structure to enable the restructured bonds to be deposited into a special purpose vehicle. As part of the efforts working with bond counsel on all of the related tax issues, the certificates issued from the trust traded at optimal prices.

He was also involved in the Commonwealth's Plan of Adjustment, restructuring $33 billion of debt to $7 billion, involving, among other governmental entities, the Convention Center District Authority (CCDA), and the Puerto Rico Infrastructure Financing Authority (PRIFA), and assisted in the structuring of newly-issued bonds and contingent value instruments (CVIs). Though used for sovereign country debt restructuring, CVIs had never been utilized in governmental entity restructuring in the U.S. A similar restructuring closed for the Puerto Rico Highways and Transportation Authority (HTA).

International

Les advised the trustee, administrative agent and collateral agent in connection with a $4.4 billion restructuring involving a leading provider of mobile phone networks and home entertainment services. The restructuring involved transactions in 15 countries located in the Caribbean, Central America, and Europe. The company and certain subsidiaries entered into a restructuring agreement, the terms of which were implemented by way of Bermuda schemes of arrangement that entitled certain creditors to receive equity for a substantial portion of their existing debt instruments. The equitization and broader refinancing resulted in the company's funded indebtedness being reduced by $1.7 billion.

He also represented the trustee and collateral agent in the restructuring of a hospitality company with a multinational presence. This restructuring involved a consent solicitation of existing noteholders to exchange their debt for warrants, and for a reduced amount of debt secured by the company's intellectual property, with ongoing payment of PIK interest. This complex transaction required, among other things, coordination with another trustee on the exchange and an existing secured party in connection with the intellectual property.

Litigation: Finance & Real Estate

In the aftermath of the 2008 financial crisis, Les has been asked to assist in litigation involving real estate lending, bond financing, affordable housing, and low-income tax credits, international transactions, and swaps and securitizations.

Les facilitated the settlement of a structured finance investment with a large foreign banking institution where the underlying fund had been unwound. The case, which involved claims of improper administration of the investment redemption request on the securities as well as failure to substitute the failing underlying securities, triggered by lack of pool diversification and shortfalls in asset thresholds, had been before the US District Court of the Southern District of New York and JAMS.

Another case, involving arbitration of a real estate loan with a dispute on appraised value, was before two federal district courts and the American Arbitration Association. Les served as both a fact witness, as well as an expert witness with respect to real estate lending banking practices. In the

proceedings, he acted as general counsel to the company overseeing the entire litigation/arbitration process, including brief preparations, AAA panel selection, discovery, deposition prep, and settlement negotiations.

He assisted a municipal entity with the Securities and Exchange Commission's litigation of improper securities disclosure by the municipality, providing an analysis that highlighted the SEC's significant weaknesses, ultimately prevailing on this aspect of the case.

Recently, Les has represented for-profit and not-for-profit affordable housing developers exit (i) low income housing tax credit programs with resistance from hedge fund 'investors' and (ii) tax-exempt financings with resistance from state housing agencies. This has been done through litigation and potential litigation, federal lobbying and ultimate settlement of proper exits under partnership agreements, rights of first refusal, regulatory agreements, and other tax-exempt bond documents tied to Internal Revenue Code protections.

Energy & Environment

Les assisted a federal governmental entity in the negotiation of a $1 billion fuel hedging arrangement with various large commercial banks.

He represented governmental entities in its development and financing of the largest wind project in the nation (though still under development), and represented private companies on the development and financing relating to the generation of solar and wind power in the Midwest and the West.

Due to water shortages in the eastern part of the State of Washington, especially due to recent climate change, the State and the US Department of the Interior approved the Yakima River Basin Integrated Plan to enhance the State's reservoir system. As part of the effort to get all stakeholders to agree to the Plan, the environmental community and the Yakama Nation Tribe required that 50,000 acres of environmentally sensitive land be acquired by the State and set aside so as to mitigate the environmental impact of the water reservoir aspect of the Plan. Les was instrumental in assuring that the acquisition and the related $97 million financing was completed, working with the State's Department of Ecology, Department of Natural Resources, Department of Fish & Wildlife, Treasurer's Office, Legislature, and Governor's Office, as well as the lead not-for-profit organization involved in the acquisition.

Infrastructure & Privatization

In order to deal with the tremendous increase in traffic over its three international bridge crossings due to the enactment of the United States-Canada Free Trade Agreement, the Niagara Falls Bridge Commission developed a 30-year expansion program. Les assisted in the securing of both federal and state tax-exempt status for the Commission's bonds through the enactment of the Intermodal Surface Transportation Efficiency Act (ISTEA). This is likely the only federal entity with this special status.

He worked as special privatization counsel to the New York City Economic Development Corporation with respect to the disposition of Coney Island, Elmhurst, and Queens Hospitals. This transaction was one of the largest and most complicated privatizations ever undertaken in the United States, though ultimately not completed.

Health Care

He assisted The City of New York with its financial crunch by completing the issuance of nearly $600 million in Health Facilities Revenue Bonds. This transaction helped save New York City approximately $50 million.

He represented a fund on a $2 billion health care receivables transaction with Genesis HealthCare Corporation. This transaction, which ultimately closed with another purchaser, included the acquisition and financing of over 200 skilled nursing facilities and assisted living residences around the country.

Les worked on a major modernization project for a large independent hospital, located in one of the epicenters in New York City. This was the first tax-exempt HUD mortgage-insured hospital project in the US that (i) utilized CARES Act monies including special COVID-19 reimbursement enhancements, sequester/health care reduction reversals, and special Medicare advances, and (ii) followed Securities and Exchange Commission circular for enhanced disclosure dealing with the COVID-19 pandemic and resultant economic dislocations.

Nonprofit

Over the years, Les has represented numerous not-for-profit corporations supporting their corporate, tax, and financing needs. He worked with an entity selling and restructuring a portfolio of four multifamily housing projects, two of which had failed HUD REAC scores. He has also assisted numerous not-for-profit entities in their debt restructuring efforts, as well as various compliance issues, with their various lending institutions.

Les represented the Center for New York City Neighborhoods (Center) in its lead role for provision of counseling services to New York City residents impacted by Hurricane Sandy. In this representation, he had to negotiate the subcontract between the Center and the overall prime contractor for Hurricane Sandy relief for the City and then negotiate the subcontract with the City. In addition, he negotiated the sub-subcontracts with various entities providing direct counseling services to residents due to the magnitude of the counseling relief required, all in conformity with the prime contract.

In addition, the firm assisted the Center in the launch of its New York State Mortgage Assistance Program (MAP), a loan assistance program targeting families trying to avoid foreclosure. MAP is an enhancement of the Attorney General's Homeowner Protection Program (HOPP), which provides struggling borrowers with free legal and housing counseling services. Since its launch, the $150 million HOPP program served more than 50,000 homeowners across the State and is funded, in part, from mortgage securities settlements stemming from the 2008 financial crisis. The national mortgage securities settlement involved the nation's five largest mortgage servicers, earmarking a minimum of $17 billion for nationwide homeowner relief.

Higher Education

As lead of the Firm's Higher Education efforts, Les is working with our Government Relations Group on various issues impacting this critical area. Issues include relief from excise taxes instituted in 2017 on colleges with larger endowments and new proposals in Congress that potentially negatively impact institutions including, among others, expansion of the excise tax, and re-examination of certain institutions' Section 501(c) status and other Federal benefits, precipitated by recent high-profile hearings. On the regulation side, he has been focusing on significant changes to federal student loan programs and the general tumult in higher education.

In the past, he has worked on pandemic relief-related Paycheck Protection Program financings and forgiveness, with a number of Ivy League colleges on high technology and historic campus refurbishment projects, private colleges and other institutions on unique financings not secured by tuition revenues and work-out transactions, and a Southern college on campus upgrades through a tax-exempt bond financing.

Recently, Les hosted a distressed Higher Education event, moderated a panel on financings and refinancings in today's higher interest rate environment, and co-presented on a significant turmoil with the Department of Education and student loan administration.

Publications & Presentations

Higher Education

- Co-Author, "An Unprecedented Semester: Higher Education Faces Challenges From Washington," (Jun. 16, 2025)
- Co-Presenter, "[Small Business Administration] - Managed Student Loans: Exploring the Legal Implications," National Business Institute (Jun. 3, 2025)
- Co-Author, "Updated: Court Halts Trump Administration Order Pausing Government Grants; Trump Administration Rescinds OMB Memo," (Jan. 28, 2025)
- Author, "Back to Campus in Today's Environment," (Jul. 31, 2024)
- Co-Presenter, "Financings and Refinancings in an Era of Stricter Underwriting and a Shifting Rate Environment," NACUBO 2024 Annual Meeting (Jul. 23, 2024)
- Panelist, "Unpacking Distressed Trends and Workarounds in Higher Education," Reorg (Jun. 5, 2024)
- Co-Author, "Free Speech & Governance Policies: On (and Off) Campus," (Jan. 29, 2024)
-

Co-Author, "Shaping the Future of Higher Education: R2D2 or HAL 9000," (Jan. 3, 2024)

- Co-Author, "An Educated Guess: Anti-DEI Legislation Raises Legal and Practical Concerns for Colleges and Universities," (Jun. 14, 2023)

LIBOR Implications, 2022 and on

- Author, "The End of LIBOR: Hotel California Edition [Part VI]," (Jan. 28, 2026)
- Co-Author, "The End of LIBOR: Hotel California Edition [Part V]," (Sep. 4, 2025)
- Co-Presenter, "Latest Developments with SOFR: Impact on New and Existing Financings," Strafford (May 20, 2025)
- Author, "The End of LIBOR: Hotel California Edition [Part IV]," (Apr. 22, 2025)
- Co-Author, "The End of LIBOR: Hotel California Edition [Part III]," (Mar. 24, 2025)
- Co-Author, "The End of LIBOR: Hotel California Edition [Part II]," (Feb. 5, 2025)
- Co-Author, "The End of LIBOR: Hotel California Edition [Part I]," (Dec. 7, 2023)
- Co-Author, "A Long Hot Summer: Effective Variable Rates Subject to Increase (Irrespective of General Market Conditions)," (Jun. 1, 2023)
- Author, "The End of LIBOR? 'Zombie' USD LIBOR to Appear on July 1," (Apr. 10, 2023)
- Co-Author, "The Long and Winding Road: The End of LIBOR," (Mar. 8, 2023)
- Author, "The End of LIBOR: Final Countdown," (Feb. 28, 2023)
- Author, "The End of LIBOR: New Year's Resolutions," (Jan. 10, 2023)
- Author, "As Halloween Approaches, 'Zombie' LIBOR Is (Once Again) Scheduled to Appear," (Oct. 18, 2022)
- Panelist, "Navigating the LIBOR Transition Path 2022 and Beyond," The Knowledge Group (Sep. 13, 2022)
- Author, "Federal Law to the Rescue? (The Senate Version)," (Apr. 14, 2022)
- Author, "USD LIBOR Transition: Has the Moving Van Arrived Yet?" (Dec. 1, 2021)
- Author, "Interest Rate Benchmarks Are Changing: Why Health Care Boards Should Care," *The Governance Institute* (Sep. 27, 2021) [Relevant to all borrowers and issuers]
- Author, "LIBOR Transition: Potential Higher Interest Rates and Resultant Job Cuts," (Jul. 1, 2021)

Finance

- Co-Author, "UK FCA: United Kingdom's Recent Focus on Consumer Best Interests," (Jan. 24, 2023)
- Co-Author, "SEC Steps Up Enforcement With Respect to Municipal Bond Offerings," (Oct. 11, 2022)
- Co-Author, "CFTC's Historic Enforcement Action Impacting the Oil Industry & Related Derivatives," (Aug. 11, 2022)
- Co-Author, "Does the SEC 'Best Interest' Regulation Go Far Enough?" (Aug. 1, 2022)
- Co-Author, "Intriguing FINRA Enforcement Action In the Bond Market: More to Come?" (Sep. 22, 2021)
- Co-Author, "LIBOR Transition: (Bet You Didn't Know) Municipal Advisors' and Underwriters' Duties," (Jul. 22, 2021)
- Author, "Recent Swap Manipulation Cases," (Feb. 23, 2021)
- Author, "Municipal VRDO Class Action Survives Banks' Request for Dismissal," (Dec. 2, 2020)

Energy & Environment

- Presenter, "Wind Renewables, and Environmental Legislative and Regulation Analyses," Clearwater/Environmental and Energy Study Institute (EESI) DC Forum, Washington, DC, (Jun.

29, 2017)

Affordable Housing/Real Estate

- Co-Author, "NYC's Rent Stabilization Laws Upheld by Supreme Court in Light of Affordable Housing Challenges Nationwide," (Mar. 22, 2024)
- Co-Author, "Potential Approaching Storm in Commercial Real Estate: Recent Updating of Great Recession Guidance," (Jul. 25, 2023)

Uniform Commercial Code

- Co-Author, "Avoiding Collateral Damage: Taking the (Re)Pledge," (Jan. 5, 2024)
- Co-Author, "Avoiding Collateral Damage: Lessons of Lehman," (Nov. 6, 2023)
- Co-Author, "Avoiding Collateral Damage: Whose Pledged Assets are They Anyways?" (Sep. 20, 2023)

Bar Admissions

New York
District of Columbia

Court Admissions

US District Court, Southern District of New York