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FOR IMMEDIATE RELEASE

Stroock Forum Highlights Surge In Chinese Investment

Washington, DC, October 14, 2014 -- Stroock & Stroock & Lavan LLP, a national law firm with offices in New York, Los Angeles, Miami and Washington, DC, co-hosted a forum October 9 with the China General Chamber of Commerce – USA, highlighting Chinese foreign direct investment in the US. Attendees included key members of the Investment Promotion Agency of the Chinese Ministry of Commerce and representatives of Chinese banks, businesses and organizations from the energy, agriculture and construction sectors. The event, on the eve of President Obama's trip to meet with Chinese heads of state at the *Asia-Pacific Economic Cooperation Economic Leaders' Meeting*, was precipitated by the recent extraordinary increase in Chinese foreign direct investment in the US, particularly in real estate and energy.

Anne Salladin, Special Counsel in Stroock's National Security/CFIUS/Compliance Practice Group and former Senior Counsel to the Chair of the Committee on Foreign Investment in the United States, noted that Chinese transactions before CFIUS had increased from six in 2010 to 23 in 2012, the last year that such data is available. Felicia Pullam, Director of Outreach for SelectUSA, the US government agency promoting investment in the US, outlined the services available to investors from SelectUSA, including their highly valued Ombudsman program to help investors identify and address regulatory issues associated with foreign investment.

Ross Moskowitz, Partner in Stroock's Real Estate Practice Group and a former official with the New York City Economic Development Corporation, observed that Chinese investment in New York City real estate has skyrocketed, including the acquisition of some of the premier buildings in the city. Moskowitz remarked that Chinese investors have wisely kept US managers in place, noting that Anbang Insurance Group Co. signed a 100-year management contract with Hilton for the Waldorf Astoria hotel. He commented that parallels are being drawn between the current wave of Chinese real estate investment and that of the Japanese during the 1980s. Moskowitz noted, however, that the differences in timing, market conditions and investment objectives are enough to indicate that the Chinese investors are in for the long haul. Perhaps most significantly, and in contrast to the Japanese strategy, Chinese investors and developers are looking for non-financial benefits such as learning best practices, understanding business models in a mature market and accumulating management experience through local relationships.

Jeff Meyers, Chair of Stroock's Energy & Project Finance Practice Group, told the group that he had never seen a better market in the US for investment in alternative energy and made the point that there are numerous opportunities for Chinese investors in both the power and oil and gas sectors. He advised investors in new renewable energy projects to make certain that the

economics work and not assume that government incentives will continue to support such projects.

Thilo Hanemann of the Rhodium Group commented that, after many years of policy makers and investors in China holding a negative outlook on the US, the consensus is finally shifting to the view that the US is very much “open for business.” He pointed out that there are currently Chinese investments in place in 45 of the 50 US states -- specifically in the areas of energy, real estate and entertainment. Thilo also noted that the surge in Chinese investment will require attention to the complexities of US law, requiring experienced counsel.

Eric Trachtenberg of McLarty Associates commented on the increased interest of Chinese investors in agriculture. He noted that the US is a low risk and high efficiency prospect for Chinese investors, adding that investing in the US for agricultural projects gives Chinese investors access to additional global markets, increasing the potential for strong financial returns on investment. Eric observed that, although agricultural investments have historically not been subject to CFIUS reviews, “this will likely change.”

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