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Local Counsel With A Big Reach: Meritas Membership Extends Norris McLaughlin's Real Estate Practice

The Editor interviews Joel N. Jacobson, Member, Norris McLaughlin & Marcus, P.A.

Editor: Please tell our readers about your professional background.

Jacobson: I graduated from the University of Pennsylvania Law School in 1971. After a judicial clerkship I worked for the compliance division of the Federal Home Loan Bank Board in Washington DC for three and a half years. When I joined Norris McLaughlin in 1976, it was a six-lawyer general practice firm in Somerville, New Jersey. I have been with the firm for more than 31 years, including more than 20 years as a member of the firm's executive committee.

Editor: How has your practice evolved during your career?

Jacobson: During my time in Washington, I developed relationships with lawyers who went on to in-house counsel positions in the banking industry. I also had a background in the real estate industry from my experience with a large family-owned real estate business. I built my practice on that base. As the firm grew, my practice expanded, enabling me to work on more complex and sophisticated real estate matters. Today, I now work with property owners, managers, developers, investors, large commercial tenants and financial institutions.

Editor: Would you tell our readers

about Norris McLaughlin's real estate practice and the services offered to clients?

Jacobson: My firm has always had a strong real estate practice. As the firm has grown to 110 lawyers with offices in both Bridgewater, New Jersey and New York, our real estate practice has expanded. We now have over 20 lawyers providing real estate related services to our clients.

Our real estate services include leasing, conveyancing, land use, permitting, environmental, utility services, condemnation, tax appeals, financing, bankruptcy and litigation. The attorneys in our New York office represent numerous co-ops in the New York area, as well as other types of real estate clients. Our environmental lawyers are involved in a wide range of real estate matters, including numerous Brownfields development projects.

Our real estate clients range from residential developers such as K. Hovnanian and Pulte Homes to commercial developers such as Clarion Partners and Tarragon Realty, property managers such as Mack-Cali and Levin Management, retail tenants such as Home Depot and Pathmark Supermarket and commercial tenants such as Celanese America and Sanofi-Aventis Pharmaceuticals.



Joel N. Jacobson

Editor: What are the major issues affecting your real estate clients today?

Jacobson: The major challenges for real estate developers in New Jersey are the delays and costs associated with obtaining project approvals. New Jersey's system of home rule makes the approval process especially burdensome. Residential developments, in particular, are flash-points because of the additional burdens placed upon municipalities as a result of the anticipated population growth.

Another issue affecting our real estate clients is the rising cost of real estate in the New York metropolitan area. Many of our investor clients have begun focusing on real estate properties in other parts of the country, especially the southeast. For example, one of our clients has been purchasing old textile mills and other former manufacturing facilities and converting them to distribution and warehouse properties.

Editor: Have the financial difficulties in the real estate industry had an impact on your practice?

Jacobson: Our residential developer clients have scaled back their activities as a result of the financial difficulties in the real estate industry. For the most part, however, our real estate practice has not been adversely impacted by the downturn in the real estate market. Our financial services practice has seen a modest increase in the number of problem loans and foreclosures.

Please email the interviewee at njacobson@nmmlaw.com with questions about this interview.

Editor: Is Norris McLaughlin able to work with clients facing these complex financial issues?

Jacobson: Yes. My firm has a large creditor's rights practice which services both financial institutions and real estate industry clients. Our creditor's rights group includes twelve attorneys, four of whom recently joined us from a well-known New Jersey debtor bankruptcy firm.

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Editor: How does Norris McLaughlin's membership in Meritas enable the firm to provide coordinated multi-jurisdictional services for its real estate clients?

Jacobson: Meritas is an integrated non-profit alliance of more than 170 independent commercial law firms located in every U.S. jurisdiction and in over 60 countries. Meritas enables us to reach out to more than 5,700 lawyers throughout the world in order to assist clients with their legal and business needs. If Meritas was a single law firm, it would be the largest firm in the world.

Meritas is particularly helpful with both multi-jurisdictional real estate transactions and real estate transactions involving properties in other jurisdictions. The services provided by the local Meritas affiliate can range from lead transaction counsel to limited local counsel representation. Meritas firms also provide information on a non-billable basis to other Meritas firms and clients.

Editor: Are there advantages to delivering legal services through this model?

Jacobson: Meritas membership is highly selective. The Meritas firms are chosen from the best mid-size full service commercial law firms in each jurisdiction.

Moreover, every firm needs to be re-certified every three years. If a firm does not receive positive feedback from clients and other affiliates, it will be asked to leave the organization.

Although in-house attorneys sometimes feel more secure in the selection of well-known, multi-jurisdictional law firms, Meritas firms often provide a higher quality of service and better responsiveness. Since Meritas firms consider each Meritas client to be a critical part of its Meritas relationship, Meritas firms are incentivized to deliver high quality services in a cost-effective manner. In-house counsel often discover that they are already using a large number of Meritas firms before they are formally introduced to the affiliation.

Meritas does an excellent job of creating goodwill among members so that there are close working relationships among the affiliates. Even though there is no revenue sharing among the other affiliates, the firms have gotten to know each other and treat each other as important clients. Meritas firms are often able to collaborate on projects in similar ways to multi-jurisdictional firms.

From my firm's perspective, Meritas enables us to both remain independent and compete in a global marketplace. We believe that Meritas provides us with many of the benefits of large multi-jurisdictional firms without having to deal with the overhead and integration issues associated with a large multi-jurisdictional firm. Most importantly, Meritas allows us to maintain our identity and deliver services in a way that we believe best serves our clients.

Editor: Are the same opportunities available for international transactions?

Jacobson: It is the same model, except that the foreign affiliate normally takes a lead role in the transaction. Meritas' non-U.S. affiliates are indigenous firms with deep roots in each country. The governmental relationships of many of Meritas' foreign affiliates are often critical to successfully doing business in other countries.

Editor: Would you tell our readers about some of the projects where membership in Meritas has been advantageous?

Jacobson: Meritas members have consistently provided our clients with high quality cost-effective services. Almost without exception, the local affiliates have been willing to prioritize work for our clients, even when such work involves extremely short deadlines such as last-minute opinion letters and next-day court appearances. We also have the capacity to communicate throughout the membership to determine if any of the more than 5,700 attorneys in Meritas has a specialty beyond that of the attorneys in my firm. The ability to quickly tap-in to such specialization has been another value-added dimension of Meritas.

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Editor: What do you do when you are not practicing law?

Jacobson: Unfortunately, much of my time is spent on matters related to my firm. I have served continuously on the firm's executive and compensation committees since 1986. I have overseen the firm's marketing program from the beginning through the present. Much of my firm's recent growth is due to our marketing and lateral recruitment efforts. Ed Miller, our firm's chief marketing officer, has been the catalyst for much of this success.

I recently completed a three-year term on the board of directors of Meritas. I am currently the chairman of the Financial Services Section of Meritas and remain active in other Meritas programs.

I have also volunteered for public service positions in Chatham Township where I reside. I have served on both the Open Space Committee and Planning Board for a number of years, including the last 3 years as Planning Board chairman.

When I am not engaged in the practice of law or law-related matters, I spend my time exercising, jogging and traveling as well as with my family. I hope to renew my golf and tennis games in the near future.