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► IN THE TRENCHES

Schulten Ward & Turner picks up 5 lawyers as it diversifies

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SCHULTENWARD & TURNER, which was hit hard by the recession due to its heavy real estate presence, has managed to adapt to the market and has hired five lawyers since the fall, including partners in tax and bankruptcy.

Kevin L. Ward, who runs the firm's litigation practice, said having tax and bankruptcy expertise in-house is helpful for work representing lenders on nonperforming loans, which the firm started doing after the recession reconfigured its practice in 2008.

Bankruptcy lawyer **Martha A. Miller**, who will work with Ward, is joining at the end of the month as a partner. She has been a solo practitioner for the past 12 years.

Tax lawyer **William M. Joseph** joined as a partner in November from Burr & Forman, supporting the firm's transactional work as well as litigation and bankruptcy work for nonperforming loans.

Two senior associates, **Corey N.**



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Cutter and **Brandon C. Hardy**, joined from Taylor English Duma in December and November, respectively. Cutter is working with Ward, and Hardy is supporting Wm. Scott Schulten's real estate practice.

Earlier in the fall, the firm hired a first-year associate, **Leslie A.**

Brooking, who received a law degree in 2011 from Emory University Law School. Brooking is working on employment and insurance disputes as well as personal injury matters.

The new additions give the firm 22 lawyers. Ward said Schulten Ward &

Turner was cautious in making the hires: “We worked a lot of 16-hour days before doing this.”

Ward said the firm used to represent a lot of commercial developers and small to medium-size businesses in real estate matters, but that changed in 2008. “A lot of developers stopped developing,” he said.

Soon after, the firm landed work from the Federal Deposit Insurance Corp. resolving nonperforming loans from failed banks. “We handled a couple of hundred files for them,” said Ward. Some were distressed loans, he said, and some were “people who were lost and didn’t know how to pay.”

From the FDIC work, the firm branched into representing lenders who’d purchased distressed loan pools from the FDIC, servicing companies handling loans in receivership and others who’d contracted with the FDIC.

Ward estimated that 90 percent of these loans were for developers, investment groups guaranteeing developments and wealthy individuals, such as “a guy who needs a ranch with an airport.”

The borrowing entity is usually a limited liability company with a single asset, he said, and the work has been mostly in Georgia and Florida.

Miller said she started associating with Schulten Ward & Turner a couple of years ago on cases for large lenders in which the borrower entity ended up in bankruptcy court. She said that as part of a package of loans, a lender might buy the debt for a troubled condominium project, which files for Chapter 11. That

means the lender has a vested interest in the outcome.

“Martha can represent our lender clients a lot more aggressively in the bankruptcy courts,” said Ward. He added that he doesn’t want to refer out the bankruptcy work because it creates “too many cooks in the kitchen.”

“With her in-house, I can be in control of the decision-making across our bankruptcy matters,” he said, which he thinks is better for the client.

Miller said she has focused on trustee work since joining the panel of bankruptcy trustees for the Northern District of Georgia in 1992. The firm’s litigation expertise will be useful for some of her other bankruptcy clients, she said.

Chasing down a debtor’s assets means cross-examinations and discovery, Ward explained.

While most of Schulten Ward & Turner’s litigation work is now for lenders, said Ward, the firm has “maintained good relationships” with developers and investors.

He said the firm has had to decline some lenders’ cases because of past relationships with developers. “We’ve had good strong relationships with developers for more than 20 years. If we have that kind of relationship, we’re not going to sue them.”

“I would never anticipate stopping representing developers. It’s a joy to do that. They’re creative and entrepreneurial,” he added.

Joseph is working on matters with both Ward and Schulten. His tax expertise was needed in resolving complex loans, said Ward, and he is also working with Schulten on tax credits for conservation easements,

low-income housing and other real estate matters.

Joseph said he’s been a transactional tax attorney for his 27 years practicing law but has branched into loan workouts for developers. “A borrower does not want to be in a situation where they are losing their property and have a big tax bill,” he said.

Ward said Schulten has been “surprisingly busy.” The recession prompted Schulten to refocus his commercial real estate practice on multi-family housing and other rental property developments, as well as conservation easements, which Ward called “an opportunity to monetize inactive properties.”

“There are a lot of opportunities for people who have liquidity or who’ve demonstrated the skills and ability to develop in this market,” Ward said.

“It’s one of the reasons our firm has survived,” he added. “A lot of firms with our client base are gone.”

Schulten Ward & Turner’s other name partner, David L. Turner, has been handling professional liability work for the FDIC, investigating the actions of officers and directors in failed banks. Ward said Turner also represents a number of car dealers and handles personal injury and medical malpractice cases.