

Q&A With Sills Cummis' Jeff Newman

Law360, New York (January 06, 2012, 5:35 PM ET) -- [Jeffrey Hugh Newman](#) is a senior partner in the Newark, N.J., office of [Sills Cummis & Gross PC](#) and chairman of the firm's real estate department. He has practiced real estate law for over 30 years, focusing on the shopping center industry with an emphasis on retail tenants, shopping center landlords and developers. He is also an experienced litigation strategist and the author of the book "Hear With Your Heart: Mastering the Art and Skill of Listening."

Q: What is the most challenging case or deal you have worked on and what made it challenging?

A: Over my career, I have enjoyed working on many challenging deals, sometimes allowing me to be called "small company savior" and sometimes "big company hero." But, because our roots are deep within Newark, we at Sills Cummis have always had a deep and passionate commitment to our headquarters city. Hence, I am particularly pleased to have contributed to a real "game-changer" for Newark when we helped a major, household-name Asian corporation complete a multi-tentacled transaction to relocate its U.S. headquarters to the "Brick City."

Bringing about big change is seldom straightforward, and this deal sure had its share of obstacles. Out of the box, we were faced with an extremely aggressive time frame to plan and construct a 12-story, LEED Gold-certified office tower in an urban location. Nine-digit lease negotiations certainly added a little zest. Added to the mix was a maze of state and local regulations that had to be navigated in order to secure and deliver over \$100 million in urban transit hub tax credits to an existing in-state employer, as well as PILOT savings.

The icing was that we also had to overcome a "jilted" landlord suing in an attempt to kill the deal. Previous parties had tried, and failed, to assemble all the necessary elements — Port Authority buy-in, temporary state highway road closings, FBI access rights, workable parking arrangements and, of course, parties willing to position themselves "risk on."

Fortunately, we were able to get buy-in from the governor's office due to our client's firm commitment to reducing its environmental footprint, in part by moving to a transportation hub. The team worked diligently to overcome the challenges, and I am delighted to be helping to build a better Newark.

Q: What aspects of your practice area are in need of reform and why?

A: I am a big believer that MERS (Mortgage Electronic Registration Systems), which acts as nominee in county land records nationwide for lenders and servicers, is an effective and innovative way to streamline the local land registry systems, thereby creating greater fluidity in the lending market.

However, the system has been the subject of a variety of failings to adequately track changes in

the ownership of mortgages. As a result, there are “proof of ownership” and “standing” problems in foreclosure actions which negatively impact the ability to institute foreclosure proceedings.

Since I am not a fan of government intrusion, through regulations or otherwise, I believe the system can be best improved by greater coordination and investment from the lending community in order to solve these issues and create a more workable and reliable system in which all parties can have faith.

Q: What is an important issue relevant to your practice area and why?

A: As a real estate practitioner, I am distressed by the current obstacles that all parties in this sector are experiencing. Whether it be landlords, tenants, lenders or investors, the lessening of the regulatory hurdles in order to create value through development, redevelopment and expansion, and a more investor-friendly tax system are critical.

Q: Outside your own firm, name an attorney in your field who has impressed you and explain why.

A: Richard Goldberg, of Ballard Spahr LLP, is one of the most intelligent, talented and knowledgeable real estate lawyers in the industry. He has always demonstrated a mastery of the toughest cases and matters. But, even more so, he has, with tireless dedication, “given back” to the industry as chairman of the International Council of Shopping Centers law conference and president of the American College of Real Estate Lawyers. He is truly one of the standout real estate practitioners.

Q: What is a mistake you made early in your career and what did you learn from it?

A: When I first started to practice, I spent too much time trying to make documents and briefs perfect. Eventually, I learned that, in most cases, not only is an A+ not necessary, the effort involved, except in rare cases, is usually counterproductive. Eventually, that lesson permeated all aspects of my career and life as I better realized that the quest for perfection is often the saboteur of successful and timely completion.

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