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LEADING LAWYERS

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REAL ESTATE, CONSTRUCTION & ENVIRONMENTAL EDITION

THE TOP REAL ESTATE,
CONSTRUCTION & ENVIRONMENTAL
LAWYERS IN ILLINOIS

Global Leader

PAUL MEYER: Guiding Real Estate
Equity Investors and Developers
Around the World



FEATURING:

AUDREY SELIN

NEAL WEINFIELD

PATRICK FITZGERALD

CHARLES SEMMELHACK

AS WELL AS 21 OTHERS

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by Olivia Clarke

Paul E. Meyer uses his undergraduate degree in philosophy to tackle many of his clients' legal issues.

"As the practice has evolved, we are dealing with a lot of complex, intertwining issues that we are trying to put together into a concise, workable solution," says 50-year-old Meyer. "Part of what we can use from a philosophical background is to narrow down the scope of a problem to a concrete point. Once you get it down to there, you are able to articulate it to the client. But also, once you get it to a fine point, you are able to find a solution."

Meyer is a partner in **Mayer Brown LLP's** real estate group and head of the Chicago real estate practice. He works as one of the co-chairs of the real estate group's cross border practice. In recent years, he has focused on representing clients who provide equity capital for U.S. and Latin American real estate transactions as well as equity for U.S. health care-related transactions.

He has substantial experience in virtually every aspect of the real estate industry and he represents real estate investors and developers in all types of domestic and international real estate transactions. Those include joint ventures, acquisitions, dispositions and financing involving shopping centers, industrial parks, office buildings, apartment complexes, condominiums, medical office buildings and assisted-living facilities.

"One of the reasons I'm still here after 25 years is I continue to learn something new every day. It's intellectually challenging. A lot of the clients that I deal with now, the U.S. clients, tend to be more institutional equity investors ... and a lot of the non-U.S. investors structure their investments to be tax efficient.

"From a real estate lawyer's perspective, we are at the center of a lot of different areas. You are kind of like the spoke that connects issues from a tax perspective, from an ERISA perspective, corporate perspective and finance side," he says. "You sit at this intersection. Everything you really do on a day-to-day basis tends to be different. To me it's really more of an industry than a practice area."

Choosing a Different Path

Meyer grew up in then-Elk Grove Village, as

the middle child of five children. He says he actually became a lawyer by default.

He grew up in a family of doctors. His parents, two grandfathers and three uncles all worked as physicians. But he exercised his independent streak and decided to not go into medicine.

He says he fell in love with philosophy while attending Creighton University and when he graduated in 1984, he planned to get his Ph.D. and teach in this subject area. But his adviser recommended he take another path because no jobs existed along that professor track.

He attended Notre Dame Law School with the plan of practicing law for a few years and then becoming a professor. But when he started interviewing for professor jobs and got a few offers, he realized it was not the right career choice given family obligations. He instead decided to follow the path of law.

He met his wife, Beth, at Creighton and they attended law school together.

He worked at Mayer Brown as a summer associate and has spent his entire career at the firm. He first chose real estate because if he wanted to change careers, this experience would provide him with a transferrable skill and a back-up career plan in a related field, he says.

He chose the transactional side of real estate because he didn't like the contentious side of litigation, he says.

"There are obviously a lot of good things here that have kept me here 25 years," he says. "A lot of what you do here, especially as you progress in your career, is teaching other people. There are a lot of benefits to doing that. I can be a teacher, not necessarily have the lifestyle of a teacher, but get better compensated than a teacher."

Meyer typically starts work on his 6:37 a.m. train, where he gets a jumpstart on his day. He tries getting home on the 6:30 p.m. train and works at least a few more hours before calling it a night.

Maria Penna started working as Meyer's secretary 25 years ago when he first came to the firm and they've been working together ever since. When he stays late on a client matter she often stays late to assist him.

"I've watched him grow and I've grown with him," Penna says. "He is one of the most

important men in my life in the most platonic way that you can say it. He always looks at both sides of every story. Paul Meyer's work ethic and integrity are top notch, which makes you want to be a better person.

"Whenever a deal comes up, you do what you've got to do. The work that we do together for our clients is wonderful. He's been a great role model to me and a great mentor."

When asked how he tackles a client problem, Meyer says he first discusses the issues with the client because undoubtedly important issues exist that didn't get included in the letter of intent.

He must then understand the business discussions that already occurred, the business objectives and the timing required to accomplish those goals.

"Our job as lawyers is to meet the changing demands and make sure we're providing value to our clients on a consistent basis and make their lives easier," he says. "We should be ahead of the curve and try to anticipate different questions and different issues and suggest possible solutions. There are tremendous demands on our clients' time and to the extent that we can shoulder more of the burden and help them so that they don't have to worry about things, it is an added benefit in addition to the legal substance."

Joseph G. Kurzdym, executive vice president and chief financial officer of Lillibridge Healthcare Services Inc., says Meyer possesses an ability to see the practical side of a legal issue and understands the business perspective of getting a deal done.

He handles Lillibridge's real estate acquisitions involving the purchase of assets from not-for-profit health-care systems. The deals can often become complex, Kurzdym says.

"He is really a trusted confidant of the firm," he says. "He understands how to get deals done, but is very aware of protecting his clients' needs. He has a lot of integrity, which has led us to not only use him as a law firm vendor, but actually as a true partner in our business."

Smaller World, Greater Complexity

When Meyer started in real estate, the matters he handled were much more locally



based and often more routine. For example, a client buys a building and leases it.

But in the last five years, he says the world became much smaller and real estate matters seem much more complex and much more global. For example, he represents non-U.S. clients investing in the U.S., as well as handling a fair amount of work in Mexico involving U.S. law-governed documents.

These days, he says, almost everything for the investors he represents starts with the tax side and how they can make their investment tax efficient. That means he needs a working understanding of not only the federal tax code but also some individual state tax laws which include acquisitions and financing. The rest of the time he works on straight acquisitions, such as someone simply buying an office building.

He handles joint ventures for a particular asset and also programmatic joint ventures that set up a structure that can be repeated on a multiple acquisition basis.

In terms of significant matters he's handled, he represented a German investor in connection with a tax-structured joint venture with a large U.S. core real estate fund and the related acquisition of a multi-building office portfolio in Houston, Texas.

He also represented a German investor in connection with the acquisition of an office

building in Washington, D.C. He worked with a non-U.S. fund sponsor in the creation of a tax structured, programmatic joint venture with two additional non-U.S. investors, which focuses on the acquisition of core real estate assets throughout the U.S.

Meyer handled a joint venture comprised of a U.S.-based opportunity fund and a hotel operator in connection with obtaining construction financing for the development of a hotel project in Wailea, Hawaii.

He represented a U.S.-based fund sponsor in creating joint ventures with operating partners for the acquisition of hotel projects in Texas and California.

Meyer worked with a non-U.S. based insurance company in the acquisition of an office tower in Chicago, as well as a joint venture for the development of a high-rise multifamily building in Chicago.

He also worked with a U.S.-based institutional investor in connection with a joint venture for the acquisition and development of land in California and Mexico for the development of a hotel, golf course and for-sale housing, with aggregate acquisition and development costs of about \$1 billion.

He worked with a U.S.-based opportunity fund and its affiliates in connection with the acquisition of the senior tranche of a loan

secured by a luxury hotel and resort located in Los Cabos, Mexico.

Mayer Brown partner Patrick McNerney has worked with Meyer for almost 16 years. He describes Meyer as someone who puts clients first without exception.

For example, despite receiving hundreds of emails every day Paul strives to respond right away to each client's questions. And if an email also involves another partner, he diligently follows up and encourages his partners in a positive way to expeditiously respond to the client's inquiry or issue, McNerney says.

An Orchestra Conductor

"He's very intelligent. He cuts right to the heart of the matter very quickly," McNerney says. "In this day and age, you want a lawyer who can see the most important issues and cut through and ignore some of the noise and nonsense."

He keeps all the moving parts of a deal together, McNerney says. For example, Meyer currently manages a myriad of legal issues in connection with a \$14 billion transaction involving real estate, federal tax, ERISA, property tax, transfer tax and securities law.

"There are so many issues going on, all at the same time, with multiple lawyers and he operates like a conductor of an orchestra who

keeps the players harmoniously moving forward and working together,” he says. “It’s not uncommon for Paul to work into the wee hours of the morning due to client needs. He will sacrifice his own personal time with his family and his own sleeping habits because of deadlines. He’s doing that right now on this deal.

“Paul is a hard driver, which gives him a competitive edge in the fiercely competitive legal services market. He is tough and demanding and his hard-charging style is appreciated by clients who are focused on the bottom line. Paul provides excellent client service, which is critical to keeping clients. He produces results and clients keep coming back to him for guidance. I personally think he is one of the best lawyers in the firm.”

In other matters, Meyer represented The McShane Companies in connection with the negotiation of a programmatic joint venture with a Chicago-based private equity fund for the development of medical office buildings throughout the United States.

Daniel P. McShane, general counsel of McShane, says he began working with Meyer about four years ago through a McShane employee who had worked with Meyer at Lillibridge.

McShane says Meyer has handled a number of projects for his company, including the development of several outpatient clinics for the U.S. Department of Veterans Affairs.

“Typically, we place a piece of land under contract, locate equity partners to form a joint venture, find a lender to finance the project, construct it, lease it up and sell it,” McShane says. “Throughout all phases of the project, Paul helps us out — with joint venture agreements, loan documents, leases and purchase and sale agreements.

“Paul is one of the most knowledgeable, expert attorneys that I’ve come across for negotiating these types of documents. He understands the terms of the documents inside and out, understands the positions that both sides are likely to take and is able to offer reasoned, persuasive arguments as to why the documents should be drafted in a way that protects his client.”

Meyer remains extremely responsive, regardless of where he’s traveling, McShane says. He returns calls and emails immediately, responding to all the questions posed, even if he’s calling from an airport on his way to see another client.

Meyer goes to Germany about four times a year to build and maintain client relationships. Germans, he says, remain very active in the U.S. real estate market and the country operates the strongest economy in the Eurozone.

Last January, Meyer, his firm and the Urban Land Institute in Germany hosted the third

annual U.S. Real Estate Workshop, which looked closely at the challenges and expectations for U.S. commercial real estate in 2012.

Also through the institute, he says, he previously handled presentations in Mexico on U.S. investors’ real estate requirements.

“If you look at the major areas to invest in real estate on a global basis, you look at New York, Washington, D.C. New York is usually one of the top two spots. There’s London and Paris, and probably Sydney. If you are a real estate investor, those are places you want to invest in,” he says.

“Real estate is a very attractive investment right now. You have money coming from Asia, the Middle East, Canada and Europe that all looks to invest really all around the world. The U.S. is just one component of their investment plan.”

Carrying the Heavy Load

John Gearen, a Mayer Brown partner, says he helped recruit Meyer to the firm. One thing that distinguishes Meyer is his work in Europe briefing clients about the U.S. real estate market, he says.

“He really knows the U.S. market in great depth and knows where likely large transactions are going to come from,” Gearen says. “He is extremely good at understanding very large structures. Some of the largest we’ve done ... are changing a managed account or separate account or even an older trustee account into a current LP structure. People do that so foreign investors can more easily enter into the vehicle, among other reasons. Paul is exceptional at doing that kind of transaction, which involves coordinating many different legal disciplines.”

Meyer says he tries to anticipate issues so they do not become a client’s problem later on. He tries to drive the transaction forward so the clients feel like they received tremendous value.

“I would describe myself as a lawyer who is committed,” he says. “I’m the lawyer who would anticipate issues so they don’t become problems later on. I will carry the heavy load and drive the transaction forward.

“It is a given that you have the intellectual capacity and substantive knowledge. What distinguishes any lawyer is the service. Can they make their client’s life easier and do they provide value for those clients?”

“We actually structured multiple transactions, 60 to 70 transactions, and thought ahead to an exit. Over a period of years, we built up this big portfolio and when the portfolio sold, we didn’t need to go back to a single lender or a single counterparty to get consent to the exit. That’s about a billion dollars of assets.”

When asked what Meyer does for fun, he jokes, “Sleep.”

He and his wife of 25 years, Beth, have four

sons: Jack, 23, Willie, 21, Charlie, 18, and Pete, 16. When his sons were younger he coached their sports, particularly baseball, and now attends their sporting events.

He likes to travel with the family. For example, his immediate family and the children’s grandmothers recently took a week-long trip to Turks and Caicos. They also take small trips all around the country to such places as New Orleans.

Meyer serves on the board of directors of the Brain Child Foundation, a foundation devoted to funding research and development in pediatric neurosurgery.

His son, Willie, developed hydrocephalus, a buildup of fluid inside the skull that leads to brain swelling, and he underwent at least 140 brain surgeries.

When Willie was about age 8, the grandparents of another child going through a similar situation wanted to start a foundation to fund research and eventually a cure for those children with hydrocephalus. The Meyer family teamed up to work on that effort.

“Earlier we thought we would be able to fund research and obtain patents for our research and use the proceeds from licensing those patents to fund additional research, but it didn’t turn out that way,” he says.

“It’s a rewarding process, but frustrating in the application. It’s amazing how long it takes to try to find out some of these solutions. When we started out, we really thought we would have solutions in a matter of years. But that’s not been the case.”

Willie, he says, “is a tremendous individual. He lives most of his life in pain, but he is the most optimistic person that you will ever meet. He’s just a wonderful, wonderful person. He is not defined by his illness. It’s a part of his life but it’s not his life.

“And Jack, Charlie and Pete each have an inner strength that has helped them deal incredibly well with the family stress that goes along with each hospitalization, not only coping with their own concerns about Willie but also being incredibly supportive and protective of Willie.”

Gearen, from Mayer Brown, says he considers Paul and Beth Meyer to be wonderful human beings who care greatly about their family.

“We all just admire tremendously Paul and Beth for how they’ve worked with their family and Willie despite all his challenges and turned it into a way to give back to the community with the Brain Child Foundation,” Gearen says.

“Yet, Paul keeps an extraordinary heavy work commitment not withstanding those commitments. He’s a great leader for the group, a great friend and an exceptional lawyer.” ■