

Q&A With Greenberg Traurig's Kent Newsome

Law360, New York (March 20, 2012, 12:00 AM ET) – Kent Newsome is a shareholder in Greenberg Traurig LLP's Houston office, where he chairs the firm's Houston real estate practice.

Newsome is a past chairman of the Houston Bar Association Real Estate Section, and is listed in Best Lawyers in America, Chambers USA America's Leading Business Lawyers and Who's Who Legal: Texas. He is a member of the American College of Real Estate Lawyers and was named a Super Lawyer by Texas Monthly magazine. He serves on the governing Council of the Real Estate Probate and Trust Law Section of the State Bar of Texas, and has served as an Adjunct Professor of Law at the University of Houston Law Center. He regularly writes and speaks on various legal topics.



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

A: Several years ago, an off-shore investor contacted my client in late November and offered to buy seven office buildings at a good price. The only condition was that the deal had to close by the end of the year, for tax-related reasons. I remember the roller coaster of emotions I felt when the client called and told me she had really good news (a huge deal) and really bad news (an inexperienced buyer in a frenzy to close).

It was the buyer's first acquisition in the United States, so in addition to being in a big hurry, the buyer was not very knowledgeable about Texas real estate law or customs and practices. It made for a crazy month and more than one all-nighter, but we got it done. I remember sitting alone in a chair at the title company, in the middle of the night after we finally finished the closing, trying to decide if what had just happened was the coolest thing ever or the most ridiculous thing ever. I'm still not sure, but that deal taught me that, properly motivated, a lot of things that seem impossible can get done. It also taught me that being an effective cat herder is a key part of being an effective real estate lawyer.

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

A: I'd like to see more uniform title insurance forms and practices. As a non-ALTA state, Texas uses different forms and different endorsements from many other parts of the country. Since I handle transactions all over the United States, I am in a constant research mode, making sure I ask for the correct endorsements and additional coverage. Even within ALTA states, the various states have different customs and practices. Progress has been made over the past few years, but it would be helpful to have a consistent title insurance game plan, regardless of the particular jurisdiction.

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

A: I think the biggest issue facing the real estate practice area is the dearth of experienced young real estate lawyers. The economic downturn we all suffered through a few years ago and the ensuing shake up led many real estate groups to stop hiring new lawyers. Even those who were hired didn't have the deal flow needed for optimal training. As a result, many young real estate lawyers either changed fields, went in-house or left the practice of law altogether.

Add to that the Internet, where each article or blog post seems to imply that everyone else always has a better deal, and you end up with a lot of migration. This sort of free agency isn't ideal for building experienced, efficient teams. On the other hand, the only way to retain young lawyers is to give them a career path that is appealing. I believe that nurturing associates and making them feel an integral part of the team is paramount.

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

A: One lawyer I have been very impressed for a long time is George Bernhardt, formerly of Fulbright & Jaworski and currently in-house at Baker Hughes. George is, without a doubt, the most organized lawyer I have ever known. He is also one of the most proactive. At any given time, George is in charge of a multitude of deals, occurring simultaneously all over the United States and beyond. Yet, somehow, he treats every deal as if it were his personal transaction.

At a time when far too many lawyers hit the send button and wait passively until a response hits their inbox, it is refreshing, and sometimes awe-inspiring, to watch George shepherd (and push, kick and drag, when necessary) so many deals across the finish line. More importantly, George is one of the strongest and most unshakable people I have ever met. From floods, to fires, to the everyday challenges of life, George deals calmly and confidently with whatever issues are in front of him, in a way that most of us can only admire.

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

A: I recognized very early in my career that lawyers who have a lot of clients have more control over their lives — both day-to-day (which was very important to a young lawyer hoping to avoid endless due diligence projects) and ultimately over a career. Accordingly, as a very young lawyer I began trying to attract clients almost immediately, by writing articles, speaking at seminars and, most importantly, by being responsive and proactive.

My theory was that hard work, responsiveness, integrity and a willingness to take the proverbial bull by the horns would compensate for the unfortunate fact that, as a young lawyer, I was often at a substantial experience disadvantage compared to my opposing counsel. My theory proved correct, and I began to assemble quite a few clients — who did quite a few deals, some of them pretty complex.

One day I found myself at a client's office to help that client negotiate a large office lease. As I was silently congratulating myself for being in a conference room with the grown-ups and avoiding the due diligence room with the other kids, I walks my opposing counsel: Bernie Dow, who at the time was the most experienced, well-regarded real estate lawyer in Texas. My brain went from self-satisfied to nervous to near-panic in the time it took Bernie to shake my shaking hand. I kept thinking about the picture exercise young children do in school: "Which one doesn't belong?"

Fortunately, I was able to pull myself together and proceeded to learn one of life's most valuable lessons: how to treat people. Bernie could have easily embarrassed me — he probably had to work hard not to. He could have been irritated or condescending. He was neither. He simply talked about the issues in the lease, negotiated the points fairly, and, by his demeanor, let me know that he wasn't there

to win a personal battle or embarrass anyone.

He was there to get a deal done, to zealously represent his client and, surely, to try and out-negotiate me, but in a manner consistent with his impeccable values. It's been close to 25 years since that meeting, and I still think about that day from time to time. The day I learned that winning and kindness are not incompatible. They are manifestations of the same thing.

All Content © 2003-2012, Portfolio Media, Inc.