

# Law360

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## Dealmakers Q&A: Hunton & Williams' Carl Schwartz



Co-head of Hunton & Williams LLP's global real estate practice, Carl F. Schwartz has led numerous high-profile and complicated deals across the country. Recently, he advised DTH Capital Inc. in connection with a \$240 million construction loan with respect to 20 Exchange Place, the landmark Art Deco building built in 1931. Schwartz advises some of the country's most prominent owners and developers, real estate investment trusts and private equity funds in their real estate acquisitions, dispositions, developments, financings, workouts, restructurings and joint ventures, and institutional lenders in mortgage, mezzanine and construction financings.

Not only well-respected by his peers, Schwartz is often recognized by groups such as Chambers & Partners, where he has been commended by clients for his problem-solving abilities. The Legal 500 calls him "very diligent" and praises Schwartz and his team for being "reliable, exceedingly knowledgeable and very driven." Out of the office, Schwartz reveals another true passion as he keeps the bottom groove with his bass in the rock band, Normal by Day — a name perhaps alluding to Schwartz's engaging personality. He organized the charity concert, "Real Estate Rockers for Relief," which features real estate executives and their bands.

As a participant in Law360's Q&A series with dealmaking movers and shakers, Carl Schwartz shared his perspective on five questions:

### **Q: What's the most challenging deal you've worked on, and why?**

A: The most challenging deal we've worked on in the last year or so is the Worldwide development in midtown Manhattan. That deal has been in the works for at least seven years, and my partner Laurie Grasso and I were involved from the beginning. The land is owned by the Educational Construction Fund and was leased to Worldwide. Worldwide had to build a school at another site as a condition to beginning construction at 57th Street. By the time the 57th Street development was ready to get underway, the ground lease needed to be amended. Worldwide joined forces with Rose Associates, brought in two other partners, took out a construction loan and mezzanine loan, and amended the ground lease pretty much simultaneously. It required an extraordinary intellectual and logistical effort on the part of the businesspeople and all the lawyers involved.

### **Q: What aspects of regulation affecting your practice are in need of reform, and why?**

A: We're dealmakers, so regulations don't really get in our way. We know the rules, we're accustomed to abiding by them, and they don't prevent us from getting things done.

**Q: What upcoming trends or under-the-radar areas of deal activity do you anticipate, and why?**

A: Many of our New York clients have been focusing on other markets. We've been incredibly busy in Washington, D.C., Miami and Dallas. New York is extremely competitive. It's not that our clients don't compete — they're getting a lot done in the city. They find that by going out of town, things can be a little less challenging.

**Q: What advice would you give an aspiring dealmaker?**

A: Real estate people love to talk. By being a good listener, you gain market intelligence, figure out what your counterparty is really trying to achieve and avoid saying something stupid.

**Q: Outside your firm, name a dealmaker who has impressed you, and tell us why.**

A: I'm impressed by just about anyone who can be successful in New York real estate. I'm amazed by the "next generation" players like Davina and Nathan Bruckner who had to take the reins behind DTH Capital and 2 million square feet of residential real estate (some of it in development) upon their father's untimely death. By people like Josh Benaim who has, with his partners Tim Gordon and David Arditi, taken the lessons learned as a member of the Manocherian family and struck out in a new direction. By those like Amit Khurana who is working to bring to New York a sensibility borne in his family's real estate business in India.

I'm also astonished by the players who began with little more than a vision and have built successful businesses like Chris Schlank and Nick Bienstock at Savanna, who consistently stay ahead of the pack in good and challenging markets. Players like Ron Beit who may very well be the transforming force in Newark, and like Steve Witkoff and Larry Gluck who started out as lawyers at about the same time I did, and have built great real estate portfolios.

I'm also blown away by the people who grow their established businesses, but also know the right time to take them in new directions, like Rob Speyer of Tishman Speyer, and Marc Holliday and Andrew Mathias of SL Green.

They're all doing exciting things for the industry, and they make it fun to be part of this business.