

Ansell Grimm Nabs 7-Lawyer Condo Practice, Opens in Princeton

By David Gialanella

Ansell Grimm & Aaron has acquired a seven-lawyer practice group representing condominium, cooperative and homeowners' associations—and in the process made good on aspirations to expand into the Princeton, N.J., area.

The group, led by partner David Byrne, departed Herrick Feinstein and joined Ocean, N.J.-based Ansell Grimm as of Jan. 1.

Ansell Grimm has subleased space at Herrick Feinstein's Princeton office, though Herrick Feinstein still has lawyers there, and the two firms now are sharing that space, at 210 Carnegie Center.

After less than three years with New York-based Herrick Feinstein, Byrne and firm leaders had spent months developing an exit strategy once it became clear that conflicts would arise—stemming from disputes, potential or real, between the HOA clients and the firm's developer, contractor and investor clients.

"We were running into some trouble with that," Byrne said. "You may not be suing them, but you're adverse."

With the housing market rebounding in 2014, those conflicts became more plentiful, Byrne added.

Accompanying Byrne are partners Richard Linderman, Mark Wiechnik and Elysa Bergenfeld, associates Jamie McMahon and Breanne DeRaps, and Stacey Patterson, who is counsel. In addition to the seven lawyers, six staffers also have made the move.

Ansell Grimm already had an HOA practice, but "not to the same level or extent" as Byrne's group, according to managing partner Michael Benedetto.

"We had maybe dozens, not hundreds, of clients in that area," Benedetto said.

Byrne started his career at Princeton's Stark & Stark in August 1994 and grew the HOA practice there before moving to Herrick Feinstein in April 2012. At one point,



the practice group included 19 combined attorneys and staff, but has shrunk to the current 13 due to improvements in technology and other efficiencies, Byrne said. He estimated that the book of business has grown by about 25 percent over that time, despite the reductions.

The group has about 200 clients in New Jersey, New York and Pennsylvania, in such markets as the Hudson River waterfront, the Jersey Shore, Long Island, the Pocono Mountains and Lancaster County, Pa., Byrne said.

The practice has three main components: serving as outside general counsel to HOAs, counseling on such issues as how to conduct board meetings and comply with governing documents; developing strategies on, and carrying out, collections from homeowners who have failed to pay fees; and general litigation, on both the plaintiffs and defense side, with developers, regulatory agencies and homeowners.

Hourly rates depend largely on geography, with some clients paying up to \$350 for partner work, and others paying less than \$250, Byrne said.

"It's profitable if it's run correctly ... but there are a lot of moving parts," chief among them the requirement that HOA practices be well-staffed to accommodate the needs of the high volume of clients, Byrne said.

“If you’re a lawyer at a big firm charging \$800 an hour, one client can make your year,” he added. “We don’t have that. ... In order to have a successful practice, you need bodies, because one lawyer can’t generate enough revenue on his or her own time.”

Benedetto said he’s not concerned about the leveraged nature of HOA practice.

“If anything we viewed it as something that is very positive,” Benedetto said. “We believe that, for lack of a better term, touching many clients is something that’s beneficial.”

But while an office in or around Princeton had been a goal at least as far back as early 2014, Ansell Grimm didn’t go hunting specifically for an HOA practice. Benedetto was contacted by Lori Litwak of RMB Legal Search in Short Hills, N.J., in connection with an unrelated matter, and she ended up introducing him to Byrne.

“You’re always looking for that value-add, not just for the firm, but for the client,” Benedetto said, noting that the HOA practice “straddles the real estate and litigation side for our practice.”

Benedetto said he’s planning to spend at least one day a week in the new office for the foreseeable future, and “it is our goal to try to grow the Princeton location” with lawyers in other practices.

Benedetto added that there are potential clients in that market with commercial real estate, land use, criminal defense and family law needs that aren’t necessarily being met by the larger firms located there.

Byrne said that Ansell Grimm, despite being considerably smaller than 160-lawyer Herrick Feinstein, is a better fit because “the lawyers they have are more connected with the type of people” his group represents.

“Our clients need help beyond the four corners of our practice,” he said. “They [Ansell Grimm] have all that.”

The additions bring Ansell Grimm’s attorney head count to 42, Benedetto said.

He declined to provide details about the firm’s annual gross revenue, but said that figure has increased modestly each year recently.

Ansell Grimm also has offices in Clifton, N.J., and White Plains, N.Y., which Byrne said will help accommodate the significant travel the HOA practice requires.

Herrick Feinstein managing director George Wolf Jr.—who negotiated the split-off, according to Byrne—didn’t return a call seeking comment.

Litwak also did not return a call seeking comment.

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