

# KATHRYN ARNOLD

## Mixing Multiple Uses with Creative Approaches

by Mary Buss

"It's a little more free-form thinking -- it's not just forms," says Kathryn Kovitz Arnold, of a practice area that allows her to enjoy taking a project from plans on paper to shovels turning soil.

A shareholder at **Shefsky & Froelich**, Arnold has built a broad-based real estate practice over 22 years, guiding projects from concept to closeout. As head of the firm's condominium practice group, she focuses on condominium law and oversees construction, financing, and leasing for clients.

"I like going out in the field, and I like touring existing buildings that we make mixed uses and separate ownership of," says Arnold.

Arnold says she particularly enjoyed working on a vertical division for the John Hancock building, just a few blocks from her office.

She drafted a reciprocal easement agreement for interrelationship of all mixed uses in the 100-story skyscraper. Uses in the iconic, high-traffic building include varying restaurant concepts, broadcast facilities, varying commercial uses, and residences.

"That's very fun," says Arnold. "I like those types of projects where you get to be a little more creative and think about how all the uses fit together."

In addition to the Hancock building, Arnold has also worked on other characteristically Chicago real estate projects. She donated her hallmark creativity to the River City Condos project, which created marina boat slip condominium units.

Arnold says it also was gratifying to work on the Harper Court project in Hyde Park. The two-phase, 1.1 million square-foot building blends residential and commercial uses, and is to be a commercial hub for the South Side neighborhood.

"I think it's interesting to really think about structures that work and knowing the documents we create and put on a property are going to go on for years and years," says Arnold. "This is going to govern how this project runs, and who contributes and who controls."

Because of her involvement in development projects, Arnold may look at existing buildings a little bit differently than the general public.

She says it's interesting to walk through a project and say, "Yup, that works! That's how those elevators are supposed to work."

### Wearing Multiple Hats

Typically, Arnold represents developers on larger projects. She says that throughout the

life of a project, it is critical to keep her client's goals in mind.

"In every transaction, in every deal, you have to have to have a clear-cut vision," says Arnold. "You should be able to really understand what your client wants."

Arnold is tasked with finding a symbiotic relationship between principals in the transaction, the people who will be using the building and those who are affected by the uses of the building.

"When you enter into any negotiations, I think it's so important that both sides -- both principals -- should really try to work on the best result for everyone involved," says Arnold.

"She's a pit-bull," says Dan Rosenthal, President at the Rosenthal Group, Inc.

Arnold has been the Rosenthal Group's lead attorney on leasing matters for the last 20 years.

Rosenthal says Arnold "is very capable of putting on your hat and the landlord's hat because she's been on both sides of deals."

"She also knows when to dig her heels in because she's right," says Rosenthal.

Joe Valenti, Chairman at Valenti Builders in Northfield, also has worked with Arnold for more than 20 years.

Valenti considers her to be "a confidante and a friend."

He says that he would be "shocked" if he didn't talk to Arnold monthly, and estimates that they speak on a daily basis when a project is going through a closing.

"I really enjoy the clients I work with," Arnold says.

A desire to help the people with whom she is working factored into her decision to become a lawyer. Arnold's father is a general practice lawyer, who also does some real estate work, estate planning and corporate work.

"I enjoyed watching what he did, how he helped people, how he brought people together, and how he fixed things," says Arnold. "It was just always something I wanted to do."

She remembers the words on a plaque that still sits on her father's desk in his home office; a quote from Abraham Lincoln:

"A lawyer's time and advice are his stock in trade."

She interprets this to mean that good attorneys commit to "taking the time to figure out what people need and get it done right."

"That's been in my head since I was a kid," Arnold says.

Cid Froelich, partner at Shefsky and Froelich, has been working with Arnold for more than 20 years. Recently, Froelich and Arnold both worked on an acquisition worth about \$300 million.

"Her personality and her presence make her a great negotiator," says Froelich, adding that she is not only a technically proficient lawyer, but also a valuable asset in any negotiation.

"Most clients call me back and tell me she is a pleasure," says Froelich.

Jon Zitzman, President at JFJ Development



Company, hired Arnold on the recommendation of a business acquaintance. Arnold has helped JFJ with leases, acquisitions, sales, loan documents and disputes for the last 18 years.

Zitzman says Arnold gives her time and advice wholeheartedly during project milestones.

"She'll put in as much time as it takes to get the work done," says Zitzman.

Zitzman appreciates Arnold's efforts as a professional, and as a working parent.

### **What's Reasonable and Just**

"I think what makes her a good lawyer is she's a good person," says Zitzman. "And I think she has a great understanding of what's reasonable, what's fair, and what's just."

Arnold says that she learns a lot from her clients. She says that she considers her clients to be mentors.

"I think everybody contributes to something, and so I like to take an opportunity to watch what people do really well," she says. "And if they do something really well, I like to try and see if I can absorb that into my practice and my relationships with people."

Arnold has adapted her practice to the changing economic climate.

"We're doing less focused work-out work and more focused development work," says Arnold.

She says fewer new condominium projects are going up right now, and clients are wrapping up projects already begun.

Arnold says she is "making sure the clients can finish up their projects in a way that makes them whole."

While the number of condominium developments may be decreasing, Arnold says the number of mixed-use developments is increasing in Chicago.

"We're sort of seeing an uptick right now," says Arnold. "And hopefully that's a trend that's going to continue."

Since Shefsky & Froelich practices nationwide, Arnold occasionally works on projects going on in other parts of the country. She says day-to-day work on out-of-town projects doesn't differ much from those in Chicago.

"I could work on a deal in Chicago and not even meet the people until the closing," says Arnold. "I typically enjoy meeting people and having a closing."

Arnold appreciates being able to stay in Chicago.

"We do high quality work out of Chicago; we have national practices in many areas," she says. "And we're able to do that while in Chicago, so I can stay close to family."

### **Clearing Head with Run**

A native of Glencoe, Arnold now lives with her husband and two daughters in Glenview.

"I think a really good family support system is the key," says Arnold.

Since her husband, Patrick Arnold Jr., is also an attorney, she says he understands the demands of the profession. While her girls are just starting to think about college, there are quite a few lawyers in the family.

Arnold went straight to the Northwestern University School of Law after graduating magna cum laude from the University of Illinois with a bachelor's degree in business administration.

She now speaks on condominium law at the Kellogg School of Management at Northwestern University, at the Illinois Institute of Technologies (IIT), and at Chicago Bar Association (CBA) events.

While her family and career keep her busy, Arnold still makes time to run. Arnold has been a runner and avid reader all her life.

She calls running "a wonderful way to clear your head and to take care of yourself and relieve stress."

Arnold also found time to be a room mom for both of her girls almost every year that they were in elementary school. She says often, that involved driving to the school when she needed to be there, and then heading back to work.

She credits her family support system and the people who helped her at and outside of work with her successful balancing act.

"I've been very lucky; I don't want to say that happens for everybody," says Arnold. "I've been very fortunate."

Arnold encourages her daughters to follow their passions and meet their goals.

"You have to approach everything 100 percent and do what you can, and I think it just typically works out," says Arnold. ■