

# LEO AUBEL

## Billion Dollar Career in Luxury Residential and Commercial Deals

by Keith D. Picher

With just over a week left in 2017, Leo G. Aubel of Howard and Howard Attorneys PLLC was busy closing some \$50 million in luxury residential and commercial real estate deals.

At 200 transactions a year, Aubel estimates he is well over \$1 billion in residential real estate transactions for his career so far. The total may well have surpassed \$2 billion with commercial real estate deals added in, he says.

“I looked at Crain’s 25 largest residential deals in 2016, and we had done six out of 25. I thought, ‘Heck, that’s a pretty good number,’” he says.

Jennifer Ames of Ames Group Chicago entered real estate sales in 1994 and has been named among Chicago’s top 10 agents for 20 consecutive years. Ames praises Aubel’s professionalism, and she should know: Her team has enjoyed more than \$100 million in closings for five straight years, including more than \$170 million in 2016.

“Leo and I have worked together for more than 20 years,” she says. “He’s been my go-to attorney for the majority of my transactions on both the buy and sell side. The reason is he’s constructive and accessible.”

Ames admits it’s easy for an agent or a lawyer to do an easy deal. “The real test of somebody’s ability is when you get one that’s a little bit more complex, and he’s done an outstanding job of handling my more complex deals.”

Aubel probably didn’t foresee the heights of success he would reach when he passed the Illinois bar in 1986 and joined a securities litigation firm run by his first mentor, Jim Beckley. Aubel earned \$11 an hour then, \$1 more than his prior job at an electronics firm.

He was thrown into the fire of a federal courtroom so quickly that, a week after his Illinois admission, Aubel had to second-chair a federal case. He took his federal oath in front of the jury in Judge William T. Hart’s courtroom. Aubel says he was so embarrassed that he wanted to crawl under the counsel’s table.

Because Aubel’s securities work sometimes included writing private placements, he represented investors in real estate deals or investors in companies engaging in real estate transactions.



“I was always more interested in the underlying transaction than in what they were litigating over,” Aubel says. “So, I started writing some of the transactional documents, and then I met players in the real estate industry, and then eventually I got a job with an attorney who focused on real estate. For me, it was a natural fit.”

It was a natural fit in another way, too. Aubel was the second of four children in his north suburban family, and in 1969 his mother, Barbara Aubel, decided to work part-time as a real estate broker.

“I was putting signs in the ground, sitting showings, whatever needed to be done by the time I was 16,” says Aubel.

She was successful almost immediately, he says, and she eventually became an owner of a realty company as well as a managing broker. Her husband and Leo’s father, Leo J. Aubel, a prominent patent attorney, also became a broker to assist his broker clientele and to help with legal issues at his wife’s business. Both of Aubel’s parents passed away in 2017, but his family remains close.

### THE PLAY’S THE THING

Even though his father worked on patents and directly with inventors, Aubel never felt compelled to enter the legal profession or even to attend graduate school. Eventually, both he and his younger brother became lawyers, however.

“My father was very studious and serious, and he loved the law. He found it endlessly fascinating,” reflects Aubel. “When you have somebody around you constantly who’s on

the phone with clients, who’s discussing the law, and who’s discussing how things impact companies and investors even when you’re a teenager, it just seems natural that you would follow in those footsteps.”

After graduating from Deerfield High School, Aubel attended Carnegie Mellon University in Pittsburgh. His sister, who was already at the school studying to be an opera singer, suggested he consider majoring in drama. Aubel had limited high school experience.

Carnegie Mellon had a renowned drama program. In Aubel’s class was Maxine Lapiduss, whose producing roles now include *Roseanne*, *Home Improvement*, *Ellen* and *Dharma & Greg*. John McDaniel became a TV actor and both a composer and producer for the *Rosie O’Donnell Show*. Rob Marshall went on to direct the movie *Chicago*. Countless other actresses and actors there made it big, including Laura San Giacomo, Blair Underwood and Holly Hunter.

“You realize you’re not quite on their level,” says Aubel. The reality sunk in further when his professors suggested he consider law school.

“They thought I had very high grades, but very little talent,” he offers with a laugh.

His classical dramatic background and his voice training proved invaluable, however, when he pursued law. Being able to talk on his feet put him far ahead of his peers during moot court at IIT Chicago-Kent College of Law. The school’s legal writing program helped Aubel refine his written communication skills as well, with a clarity and focus useful early in his legal career and even now when he drafts contracts.

## DISCOVERING HIS NICHE

Aubel always worked. Before becoming a lawyer, he was employed at a bank and at a clothing store. He interacted constantly with the public and with clients.

"I'm not a shy person, but it doesn't hurt that you can speak to other people, that you're comfortable with clients, and that you're comfortable meeting new people when you're building a book of business," Aubel explains.

Ames seconds Aubel's skills as a communicator. "Every once in a while, some lawyers don't copy us on correspondence or don't clue us in. Then, all of the sudden, I get a call saying the deal is blowing up and 'I don't know why.' I praise Leo's direct communication and his willingness to make sure every effort is made to close the deal."

After working his way through college, Aubel landed a good financial package from IIT Chicago-Kent College of Law, where he enrolled immediately. The school's proximity to the train station allowed him to fit an extra class into his evenings after work. With summer studies, Aubel finished law school at night in three years, the same length he took to complete high school.

When Aubel had practiced at the securities litigation firm for a while, his boss suddenly died one day. Everyone lost their jobs, and the practice had to be shut down. Tom Murphy, an attorney from the firm now known as Johnson & Bell had worked on a couple of deals with Aubel. He happened to call and learn the news from Aubel.

"I said, 'We're closing the office soon,' and he said, 'Well, why don't you come work for me?' I said, 'OK.' So, I literally picked up my briefcase and walked to his office and started working for him."

The lawyers at his new firm helped Aubel realize he was better at transactions than litigation.

"It was more interesting for me because there was finance involved and a shorter shelf life, too. A deal would go 45 days instead of four years in litigation. It was easier for me to be in and out of files.

Michael Booden, a legal consultant for R1 RCM, a healthcare consulting organization, met Aubel about 20 years ago when they were Johnson & Bell associates.

"Within the first 30 seconds, I knew we were going to be fast friends... If there's one word to describe Leo, I'd say he's a mensch," Booden adds.

Booden has been an in-house lawyer since 1993. He does not recall hiring Aubel to assist his corporate clients, although Aubel represented the YMCA when Booden worked there. The organization was looking for real estate counsel with more reasonable rates than their primary firm.

"We hired Leo to handle the sale of a piece of property, and he did an excellent job. My boss was very happy with his work, and we used him to sell another piece of property. He gave great, responsive service."

During Aubel's seventh year in practice, he decided to go out on his own, where he remained for about five years. In that time, he developed so many files he faced a choice: hire another lawyer or join a firm?

He mentioned his quandary to a colleague, and the lawyer invited him to the firm then known as Mandel Lipton & Stevenson.

Aubel enjoyed his work there. The firm's transactions were oriented more toward banks, which allowed Aubel to focus on the probate work and the real estate transactions he had always done. He met more and more agents and developers as the real estate market boomed from around 1998 to 2008. His business tripled, and he handled many new condo developments.

Amid that growth, Aubel joined Deutsch Levy & Engle until 2014 when the idea of bigger deals with more players and a team of lawyers lured him to Howard and Howard.

Although his commercial real estate deals now take him to Wisconsin, Indiana, and Michigan and his hotel deals and multifamily projects sometimes are in the southeastern United States, Aubel's luxury residential practice remains solidly Chicago-based.

"Without my support staff, particularly my assistant Teresa Palmson, you can't do this work," he says. "I have excellent support here from the entire staff and the other attorneys."

Aubel says his leap to Howard and Howard was a good move. Recently, he has worked increasingly with medical facilities and restaurants and bars. In these fields, businesses often need to hire a variety of lawyers to handle their licensing, political and other needs.

"It can get expensive," says Aubel. "I can do the whole deal. I don't have to bring in other attorneys."

The year 2014 was fortuitous for Aubel in another way. He married his husband Aaron Dennison; the two have been together now for 23 years. Dennison works for Wells Fargo Private Mortgage Bank, so they make client introductions back and forth whenever they can.

## GREAT EXPECTATIONS

At the end of 2017, Aubel had two residential deals pending that were valued at between \$9 million and \$10 million.

"Those are big residential deals," he says. "It used to be that residential practice was sort of pooh-poohed. When you're now in a world where transactions between \$3 million and \$9 million are more common—especially in an economy like Chicago's—I bring a level of sophistication a lot of lawyers lack, and I

think a lot of clients and real estate agents appreciate that."

Aubel says the transactions he is involved in have a lot of moving parts, and he excels at explaining to clients and agents how those parts fit together and what the expectation levels should be. "I can see from A to B," he says.

At the high end, Aubel has clients who are captains of industry, celebrities and sports figures. "They are usually regular consumers of legal services, and their expectation levels are higher, so you have to work harder to meet those."

Aubel also represents developer clients who now focus mostly on apartment buildings rather than condos. His sweet spot currently is 12- to 24-unit buildings that are either being deconverted from condos or are being cleaned up and resold. He also helps clients deconvert cooperative apartments into condos.

"At this point in my career, people come to me with problem files—things that require some maneuvering, some negotiation and a real knowledge of the underlying title issues and transactions in general. A solid 20 percent of my business is from other lawyers, including divorce attorneys and other real estate attorneys."

Ames recalls one such situation when she retained Aubel for potential litigation involving a condo in a four-unit building she and her husband purchased for investment. After the closing, they met the neighbors and learned from the condo board president that they had decided the parking space that went with the unit could be used only if the unit was occupied by the owner.

"I remember shaking. We had just spent quite a bit of money. I called Leo, and we didn't end up having to litigate. Leo essentially represented us in getting the situation rectified and in rewriting antiquated condo documents.

"I've used Leo in all my personal transactions. When those kinds of things happen, it's nice to know you have somebody with his capability covering your back."

Although Booden worked alongside Aubel in a law firm setting and during the YMCA transactions, he also knows him through teaching. An adjunct professor at The John Marshall Law School, Booden teaches a class in complex commercial transactions with the assistance of Aubel and another guest lecturer. Aubel's classes each year cover creating LLCs and Series LLCs in Illinois and using the most popular form real estate contracts for property purchases and sales.

"He's very entertaining, he's much funnier than I am, and students always enjoy his presentations. The former actor is very good at improv and does very dynamic presentations. As attorneys, we're always doing improv. It's just something we learn to do," Booden says.

And maybe Aubel learned just a little better than most of his peers. ■