



APRIL 21, 2010

Miller Starr Regalia Shows Signs of Optimism

Related Lawyers: **Hans Lapping**

The Recorder — Miller Starr Regalia's head count is inching upward, and some developments in the marketplace are fueling confidence at the Bay Area real estate firm.

The firm, with a main office in Walnut Creek and a branch in Silicon Valley, has added five lawyers in the last year. The most recent arrivals, announced late last week, are two land use attorneys from Bingham McCutchen: Nadia Costa joined as senior counsel and Sean Marciniak as associate. The latest additions bring Miller Starr to 61 attorneys.

Last year, Miller Starr added two partners: Daniel Muller from Morgan Miller Blair and Elizabeth Strahlstrom from Bingham. Robin Kennedy rejoined as a partner in Palo Alto after a brief stint at Manatt, Phelps & Phillips.

Miller Starr partner Hans Lapping, who chairs the transactional practice, says the firm — which has hovered around 55 lawyers for the past few years — has been opportunistic about its hires. "Every hire has been a strategic add to a growing practice area or where we have a lot of competence," Lapping said.

The Costa and Marciniak hires were based on the needs of some of the firm's clients, rather than a general increase in demand for land use attorneys, said firm Chairman Eugene Miller. "So it creates an opportunity for us."

Some clients, particularly retail developers, have been active recently, Lapping said. "More importantly, we're optimistic about land use in the future."

A significant uptick in homebuilders' land purchases, especially in Southern California, indicates a rebound in home construction, he said. Last year, Lapping said, the firm saw two to three of those deals per quarter. Now, that many come in every month, if not every two weeks, he said.

Lapping says Miller Starr didn't build up during the height of the economic boom. While bigger real estate-oriented firms like Allen Matkins Leck Gamble Mallory & Natsis and Cox, Castle & Nicholson each made cuts in lawyer ranks, Miller Starr hasn't had to resort to layoffs or salary reductions because of the slowdown. "The firm in its entire history has never done layoffs," Lapping said.

That's not to say its lawyers didn't notice the economic downturn. The transactional side, especially the homebuilder practice, saw fewer deals. But work came in from other areas. Lapping said subleasing work replaced leasing matters, and instead of loan origination, lawyers handled workouts. High-tech clients, like Hewlett-Packard Co. and Rambus Inc., continued to kick real estate work their way, Lapping said.

Overall, the year is looking up, Lapping said, but the tight credit markets soften his optimism about the near term. New debt hasn't figured in many transactions, he said.