

Downtown law firms outgrow their offices

Downtown traditionally has been home turf for the city's legal profession.

But with downtown office space in short supply and no new offices expected in the next two years, some firms are looking toward the suburbs.

Brobeck Phleger & Harrison, the city's largest high-tech law firm, is moving into 111,000 square feet at the Plaza on the Lake Building II building on Loop 360.

The firm is divided between 301 Congress and 111 Congress — a total of 45,000 square feet. When it moves in the spring, it initially will occupy between 80,000 square feet and 90,000 square feet.

The company employs 60 attorneys and will be hiring 20 new attorneys by next spring. The building can accommodate 150 attorneys, not counting support staff.

"We feel the location we chose on 360 is the center of the practice for which we're best known for — assisting high-tech, emerging growth companies," said Carmelo Gordian, managing partner of Brobeck's Texas offices. "For us, it's a real natural move. We're here to service the technology community."

Gray Cary Ware & Freidenrich, another growing high-tech law firm, also is considering a move out of downtown. It has outgrown its digs at 100 Congress and has been looking both northwest and downtown.

In July, the law firm of Davis & Wilkerson traded in its offices at One American Center for

30,000 square feet in Spyglass Point at South MoPac Boulevard and Loop 360.

"This is going to happen until one of these buildings comes out of the ground," said Tom Stacy of T. Stacy & Associates, who hopes to build an \$99 million, 27-story office and retail development at East Fourth Street and Congress Avenue. "The good thing is that most of those law firms have time."

The trend has downtown advocates a little worried, especially with many leases coming up for renewal. A number of new suburban office buildings have been completed over the past year, and many are offering good deals to lure clients.

Only a few years ago, downtown property owners were the ones offering the good deals to attract high-tech clients away from the tight suburban market. At the time, downtown occupancy rates lagged behind most of the city.

Residents of Texas will vote on Nov. 2 whether to allow reverse mortgages. This is the only state where reverse mortgages aren't allowed.

Proposition 2 would give homeowners in Texas ages 62 years and older new access to

reverse mortgage loans. A reverse mortgage is a loan that enables senior homeowners to convert part of the equity in their home into tax-free income without having to sell the home, give up title or take on a new monthly mortgage payment.

Reverse mortgages are available to individuals who own their home or condo free and clear or nearly so. Borrowers can use the funds anyway they wish — for home improvements, health care, prescriptions, travel, etc.

Borrowers make no monthly payments on a reverse mortgage during its term. The loan becomes repayable when the borrower dies, sells the home or permanently moves out. In addition, the repayment amount can't exceed the value of the home.

The Arboretum has snagged a big new tenant.

Restoration Hardware, a California-based retailer of home furnishings and functional and decorative hardware, will be moving into the space occupied by Jos. A. Bank men's apparel, which will move into another space in the shopping center.

"We're supposed to be out of here in eight weeks," said Brad Pharr, manager of Jos. A. Bank men's clothing store.



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The Real Deal

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