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## Personal touch succeeds for valley law firm

### *Partners' friendship goes a long way to securing real estate clients*

BY VALERIE MILLER  
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Amid an onslaught of giant out-of-state law firms grabbing for a piece of Las Vegas market share, a group of local attorneys is discovering there's still a place for personalized service.

Two of real estate law firm Rice Silbey Reuther & Sullivan's founding partners -- Stephen Rice and William Silbey -- have discovered that it isn't the name on the building that brings in business. "Clients don't see themselves as having a firm. They see themselves as having Bill Silbey," Rice said, giving an example of one of his partners.

Renee Reuther and Stephen Sullivan are also among the group of four who left the Jones Vargas law firm in 2004 to venture out on their own, but it was Rice and Silbey's longtime friendship that proved to be the impetus for the start-up. The two worked together 16 years ago in Los Angeles for the small law firm of Gylchrist & Rudder. Rice joined Jones Vargas in 1989 and referred Silbey to the firm a few years ago. The latter stayed only a year before deciding to go into business for himself.

"A good six months later, Steve and I were reminiscing about old times in L.A.," Silbey explained. "We started talking about it in general terms and another six months planning for it." That eventually led to the four lawyers joining forces.

#### **SUCCESSFUL FROM DAY 1**

The legal eagles signed for a line of credit of \$250,000 to start the firm. Rice said the success of the new venture was more than he expected; the firm was making money within 90 days, providing the lawyers salaries. There was also \$30,000 on the books for work already done when their doors opened. "We've been around a long time and know a lot of people," Rice said. "Looking back, we didn't have a lot of risk because we had so much work. To have clients that pay you [on time] when you have a new business, that is almost unheard of."

Businesses were calling the new law office and signing on, the way the attorney remembers it. "I had friends in the real estate business but I never called them up," he said. In less than two years, Rice Silbey Reuther & Sullivan has compiled an impressive list of clients, including: Centra Properties LLC; Crescent Real Estate Equities Ltd. and Territory Incorporated; Basic Management Inc.; MacDonald Highland; and the Findlay Automotive Group. Rice estimates 30 regular clients for the firm, which has expanded to eight lawyers and 15 employees.

However, the law office's founders have learned a thing or two about running a firm. Paramount



Founding partners of Rice, Silbey Reuther & Sullivan (L-R: Stephen Sullivan, Stephen Rice, Renee Reuther and William Silbey) say the firm was a success from Day 1.

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among those is the high cost of keeping up with the ever-increasing number of big firms coming into the valley. "The increase in fees is primarily tied to the fact that we are trying to keep our people," he said. "The regional and national firms have driven up the rates, and we have to keep our doors open. We have to have lawyers to serve our clients."

The large, non-Las Vegas-based law firms are throwing so much money at coveted associates that the smaller boutique firms have been forced to bump up salaries. "It is a good year to be a mid-level associate, especially in the real-estate field," Rice said.

### **'DON'T WANT TURNOVER'**

A firm the size of Rice Silbey Reuther & Sullivan depends on maintaining a close working relationship between lawyer and client, explained Silbey. "Especially in a small firm we don't want turnover," he said. "People are so used to working with their attorney."

Even with the boom in real estate showing signs of slowing, there isn't much slowdown in the day for Rice Silbey Reuther & Sullivan, which represents homebuilders in transactions but doesn't litigate. "Our sense is the market is not yet saturated," said Silbey.

Leasing transactions and apartment-to-condominium conversions are among the busiest fields for the firm. Condo conversions account for 8 to 10 percent of the transactions for Rice Silbey, which generated \$4.5 million in revenue last year.

But staying away from that one make-or-break client has been a path the firm has diligently followed. "We don't have one client that makes up a large percentage of our receivables," Rice said. "If we lose a client, it isn't 25 to 40 percent of our business."

One big project on tap for the lawyers is Crescent's 11-story, Class A office building in the Hughes Center. However, some high-profile failures in the area of luxury high-rises have had an impact on what the banks are willing to invest in. "I read the market is slowing, but in my line it hasn't slowed a bit," Rice said. "There is no doubt that lenders have tightened up based on the luxury high-rise market. I think it remains to be seen what projects will succeed and what projects will fail."

What Rice doesn't need is a crystal ball to predict the likelihood that these two longtime friends will continue to work together. "I always told my wife that if Bill and I were ever in the same city, it would be great to do something in business together," Rice said.

Silbey has similar sentiments. "That's one of the nice things about law: You can work with your friends," he said. "We were just a few years out of law school when we worked together in those days in L.A. It's fun to look back now."

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