



Association Law Group

By Charlotte Libov

When the real estate market was flush, Ben Solomon and Michael Furshman worked for the mega-sized firm Duane Morris, providing legal services to the developers and builders who reshaped Florida. But, when boom turned bust, Solomon shifted gears and with fellow lawyers Michael Furshman and David Arnold, founded Association Law Group. Now, they head a law firm that is credited with revolutionizing the practice of condominium and homeowner association law, even though it's just turning five years old.

Solomon credits this achievement to realizing that the slide of the real estate market had also prompted a turnaround in how association law should be practiced. Although the firm offered associations traditional real estate legal services, like contract negotiations, evictions, the drafting of documents and the like, they honed in with laser-like focus on the field of collections, which hadn't really mattered that much before.

"When the market was good, you probably needed a lawyer 90 percent of the time for general legal work and 10 percent of the time for collections. Now it's the reverse," says Solomon. And, he added, "If your lawyer is doing the same thing (to get those collections) that he or she was doing 10 or 15 years ago, they are doing it wrong."

Obviously, Association Law Group is doing it right. Thanks to its growing reputation, the firm now has a roster of 15 attorneys

and a staff of 75 providing services to almost 500 clients, which range in size from 15-units to 5,000-home communities, and counts among its clients the associations controlled by Lennar Homes, the second largest homebuilder in the country. In terms of growth, ALG has doubled in size by every measure – clients, staff and attorneys, in just the past two years alone, and added two partners in the past year, bringing the total number of partners to five.

Solomon credits the firm's growth to their skill in coming up with new legal strategies to protect their clients. "It used to be easy pickings to get these collection dollars. All you had to do was send a demand letter and file a lien or foreclosure. Then you went to the foreclosure sale and got paid. Now, people don't pay. There's been a run like this for four-to-five years where almost 100 percent of the units aren't being purchased at foreclosure sales," he noted.

And so the firm had to come up with new strategies, and, happily, Solomon and Furshman had just the right person for the job, David C. Arnold, who is their third partner and co-founder. Solomon and Furshman had met at Duane Morris, and Furshman grew up with Arnold's son, so he had known the older lawyer virtually all his life. He also knew Arnold was edging towards retirement, but Solomon and Furshman quickly put an end to that, and now Arnold leads



their brainstorming sessions. “David is amazing about thinking out of the box,” says Solomon.

With Arnold’s help, the firm has pioneered these innovative techniques:

Blanket receivership: Previously, the court had to appoint a receiver for each unit to collect rent from the tenants living in a unit under foreclosure. With this tool, which is now part of Florida law, the association can petition the court to appoint a single receiver over the delinquent units, who is authorized to collect all rent directly from the tenants to pay the association fees.

Reverse foreclosure: Banks used to favor foreclosure, but now they stall, so the firm came up with this technique to hasten the process. Now, when a condo unit or homeowner stops paying, the association can file for foreclosure, take title, and then assign it to the bank. Once the bank owns the property, they pay the fees.

The Mortgage Terminator: Nowadays, lenders stall so much they refuse to even file for foreclosure. With this tool, the association can give the lender an ultimatum; either file for foreclosure or release the mortgage on the unit. Then, the association can sell the unit at a reasonable price, and recoup the money it’s owed. “This is a very aggressive technique,” notes Solomon. It also has national implications, noted the LA Times, which profiled the firm’s role in originating it.

But, early on, in order to really grow the firm, Solomon realized he needed to convince the financially strapped associations that they could afford to hire a lawyer. So, the firm came up with a novel solution; defer payment. So, in a foreclosure case, the client only pays the filing fee; the rest of the legal fees and costs are deferred until after the settlement, when the responsible party, (usually the owner or lender), pays all of the legal costs. The result? “Last year, we collected over 30 million dollars for our clients, who paid zero in out of pocket legal fees,” says Solomon. Their client roster soared, and the firm now handles 10,000-15,000 cases at a time.

So how do they keep their personal touch? That’s easy, says Furshman, it’s good, old-fashioned customer service. “We definitely have a busy office. We have clients throughout the state, but we are very responsive in our emails and phone calls. I always answer the phone directly. A lot of people don’t like it when they call and end up talking to an assistant or get passed on to a junior associate all the time,” he says.

The firm also takes pride in getting the entire staff involved



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in community service, particularly with charities that focus on children. Last year, the firm’s staff participated in Comcast Cares Day, which Solomon helped organize, and they also volunteered to assist the Builders Association of South Florida, which Solomon is on the board of, with fixing up His House Children’s Home, a Miami Gardens charity that provides foster care and adoption services.

As if Solomon and Furshman weren’t busy enough, the two lawyers also own two sister companies; at Solomon & Furshman, LLP, they still represent top real estate developers and builders including Lennar, and they also own Title Company of Florida, which won in 2007 a Top Ten Title Agent Award from First American Title Insurance Company as one of their most successful title agents in Miami.

But, when it comes to setting the standard for association law, Solomon and Furshman still credit what they learned when representing developers. As Furshman notes, “Ben and I drafted these documents when we were on the development side. We don’t only understand what the provision means, but we understand why they are in the document in the first place and how to use them effectively.”