



Janet Johnson

The Real Estate Professor

by Paul Dailing

Janet M. Johnson was having trouble picking. **Schiff Hardin LLP**, where Johnson is now a partner, allows new associates to try out different areas of law before settling on a practice.

Johnson took full advantage of this, working for her first few years in tax, estate planning, estate administration, general corporate, real estate and litigation. She even helped the market reg group with legislative research on the then-new Commodities Futures Trading Act.

She eventually narrowed it down to estate planning and real estate. Schiff usually gives associates a year to try different areas before picking one. Johnson took five.

“At that time, the partner in charge of the estate planning group said, ‘Janet, you just can’t keep straddling these two different areas.’ And I said, ‘You’re right. I’m going to choose real estate.’”

“I think it’s more creative for me. I liked drafting contracts. I liked the fact that real estate has a physical product at the end. You can go and say, ‘I worked on a lease in that building’ or ‘I worked on getting the financing for that building’ or ‘I worked on getting the zoning for that building,’ and there’s a tangible thing at the end. It’s not just paper.”

The trouble was, Johnson loved the varying intellectual challenges in every aspect of law and had the knowledge and skills to be

an asset in all. Even after picking real estate, she earned a reputation as the go-to person for more obscure areas of the practice.

“I like to call her ‘the professor’ because she is like a walking encyclopedia of everything related to real estate,” says firm partner Felice Rose. “She not only understands the legal processes, but also the business implications.”

Today, Johnson focuses her practice on commercial real estate transactions and general corporate matters, with a particular eye toward the delicate negotiations needed for working with nonprofits.

“I like their mission,” she says of nonprofits. “I like that they have something

broader in mind than just making a buck, making a profit. Not that there's anything wrong with making a profit, but I really like helping them become more efficient so that they can focus their efforts and their resources on forwarding their mission."

Johnson developed a reputation as a utility player who would help out wherever she was needed, a reputation she keeps today.

"She's someone who always jumps to help other people," says David Grossberg, leader of Schiff Hardin's real estate group. "She takes on more than her share of educating young lawyers, both inside and outside of the firm. She does a tremendous amount of pro bono work. She's really dedicated to making the world a better place."

Childhood and Law

Born in Detroit, Johnson grew up in Cedar Rapids, Iowa, after her father, a mechanical engineer for electrical equipment company Square D, was transferred. She was one of six children.

She went to the University of Iowa, turning her skill in math toward a degree in accounting. She then worked for a manufacturing firm for three years.

Although she loved seeing how complex ideas and blueprints became real, tangible machines, she couldn't get past the technological hurdles of the time. Calculations that today are done with a few keystrokes would create annoying halts in projects.

"So much was done either on mainframe computers, where you had to turn in things and come get them back the next morning, or you had to do it by hand," Johnson recalls. "It was very tedious and, to me, very boring."

Her husband Tom, whom she met in high school and married after college, suggested she would be good at law. Johnson had not considered the idea, though she soon realized her analytical skills might just make a good fit.

"I didn't know any lawyers. I didn't know anything about the practice of law," she says.

It was a time of change for the couple. While she was working on law school, her husband was getting his MBA. They graduated at the same time.

Although she had been offered a job with the 15-lawyer Cedar Rapids firm where she interned, Johnson and her husband started looking at options outside of Iowa. When the accounting firm Arthur Andersen extended her husband an offer, they decided to move to Chicago.

She had no job, no professional contacts, and only an Iowa law license, which at that time was not multistate. It was 1980, right at the end of an energy crisis and right at the beginning of a recession that would last the next two years.

But there were more pressing concerns for the young couple starting over in a city where they knew no one. "We drove into Chicago and we said, 'We've got to find a place to live,'" Johnson recalls, laughing.

Taking a Chance

The two rented a condo — one that had a sign in the window as they drove by — and Johnson started the dual process of studying for the Illinois Bar and looking for a job.

"I bought the BARBRI books, started writing letters, sat around the pool at the condo place we had rented, tried to read the BARBRI books, and took the bar exam in July while I was writing my letters," she says.

She looked solely at smaller firms in the suburbs until a mortgage broker closing on their new house in Lisle asked to see her resume for an opening he had available. Impressed, he told her she needed to start applying to large, downtown firms.

"You don't want my job," Johnson recalls the mortgage broker telling her.

With her search refocused on more prominent firms, Johnson soon got a call from Schiff Hardin, high in the Sears — now Willis — Tower. They asked her to come in for an interview, but Johnson had a conflict that day.

"I had an interview at Schiff the day I was supposed to be sworn in," she recalls, laughing. "I called Schiff and I said, 'You know what? I just found out I passed the bar, and they want everybody downtown.'"

The recruiter asked her to come in, saying, "If things go well, you can get sworn in later." Things went well. The firm booked time with a judge to get their newest associate sworn in.

Pax Romana

Four years later, even before she decided to focus on real estate, Johnson was asked to help with a project for the Society of the Divine Word, a Northbrook-based Roman Catholic missionary order with a potential revenue stream on its hands.

"At that point in time, they had 770 acres of land in Cook County that was undeveloped, other than their own headquarters," Johnson says. "They knew that they needed more resources to help fund their missions around the world, and they were trying to figure out the best way to fund those missions into the future, going into perpetuity basically."

Rather than sell off the land for a one-time sum, the order decided to lease it to businesses. Through an ongoing ground lease, the transaction would continue to bring in income to help fund the missions, plus the order could keep a measure of control, ensuring the future

uses benefit the community.

"That's something that's very different than your typical person who owns a parcel of real estate and wants to sell or monetize it. They're not going to be there, so they just sell it and they go away and they don't much care what happens to the neighborhood," Johnson says.

Today, that land not only houses the society's headquarters, but Crate & Barrel's corporate offices, a Sheraton Hotel and a local shopping center — all ventures that bring jobs and services to the Northbrook community.

The society not only remains a client to this day, but it opened up a new area of specialization for "the professor." She started working with more and more nonprofits. Today, nonprofits comprise more than half of her clients.

"Once you develop that expertise in working with nonprofits, they tend to refer you to other people," she says.

The work requires a deft touch, particularly as deals must be approved not by the business managers, but by board members more in line with the overall mission of the organization than with the nuts and bolts of real estate transactions.

"For most of the nonprofits I've worked with, the governing board is much more heavily involved in that decision-making process than your ordinary corporate arrangement where they delegate responsibility to the management to run the company," she says.

That includes the "governing board" of the Society of the Divine Word — the Catholic Church hierarchy. Yes, the official approval for the Society of the Divine Word ground lease came from Vatican City. It's in Latin.

An Educational Process

Although nonprofit management teams can include real estate experts, the small staff sizes typical of nonprofits mean they rarely do.

This means Johnson must often explain incredibly technical and detailed aspects of real estate law to laypeople. Some lawyers might find this frustrating. But "the professor" enjoys teaching.

"It is a practice that's filled with thousands of small issues, and Janet really knows them all," Grossberg says.

Johnson says her breadth of knowledge is shared among the real estate lawyers of Schiff Hardin, a firm known mostly for corporate work. "I think our firm's real estate practice is one of the best-kept secrets in Chicago," Johnson says.

"Everybody in our real estate department has done just about any kind of real estate there could be to be done. While some of us focus more heavily on certain areas, we are not

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only leasing lawyers. We are not only zoning lawyers. We are not only financing lawyers.”

Johnson also enjoys sharing her knowledge in a situation some lawyers and developers, at best, tolerate. She actively enjoys talking to residents concerned about the effects a new development will have on their town.

“That’s another facet of my practice that I really enjoy: making presentations to zoning boards and village boards,” she says. Lisle, Northbrook, Buffalo Grove, Bartlett — she’s lost track of how many suburbs she’s spoken in front of about various projects.

This can conjure images of angry residents groups and heated hearings, but Johnson treats it as an educational, not adversarial, opportunity. “What I try to do is focus on the goal, which is explaining what it is that we have in mind, why we think it’s best for the village and what we think will be the benefits to the community,” she says.

“Most of them are not real estate developers. They don’t understand the finances behind it, they don’t understand what drives real estate development projects, and they don’t understand why it is you need certain things. But they do understand what they want to see in their community.”

The Working World

At 62, Johnson is past the age her late father was when he retired. Her husband is also retired after spending the last few decades as a stay-at-home dad to the couple’s two children. But Johnson has no plans to retire. She doesn’t know what she would do with herself.

While many lawyers take up golf or sailing, Johnson’s hobby, if you can call it that, is an extension of her work. Since 1980, she has volunteered services to a church-based nonprofit that builds affordable housing in the troubled South Side neighborhood of Oakland. By bus, it’s 15 minutes and an entire world away from Schiff Hardin’s Willis Tower offices.

“At the time, we were classified as a slum and blighted community by the City Council,” says Rev. John W. Brazeal of Christ the King Lutheran Church. “Our congregation wanted to do some things in terms of rehab and new construction. I approached Janet with an idea for helping people in our community set down some roots.”

Johnson ran with the idea, not only helping the church create a 501(c)(3), but using her professional connections to introduce the church to people from potential funders to an architect. In the 35 years since, she has also represented the church on tax and property issues as needed. All pro bono, with no personal or

professional compensation.

“Janet is an outstanding individual, a Christian woman and truly a professional,” Brazeal says.

For 17 years, she also represented a similar organization that provides transitional housing for victims of domestic violence. Volunteer work is her hobby. When she’s not presenting developments to nonprofit boards, she sits on them. “It’s a very odd hobby, I’ve got to admit,” she says, chuckling.

She also holds or has held board-level positions with several Lutheran charities, including Concordia Theological Seminary, LCMS National Housing Support, the \$1.4 billion Lutheran Church Extension Fund — Missouri Synod, The Northern Illinois District of the LCMS and Lutheran Child and Family Services of Illinois.

“She’s so kind, and she’s so charitable,” Rose says.

The Ironwoman

Villa Park Director of Economic Development Jan Fiola met Johnson through the board of Commercial Real Estate Women, or CREW Chicago, an association of women in commercial real estate.

“It’s attorneys to architects to asset managers — anyone who has anything to do with commercial real estate,” Fiola says.

Soon the two had a different bond when they and a third CREW Chicago member started training for triathlons together. Triathlons are grueling endurance competitions where participants swim, run and bike for miles.

None of the three had ever done one before. It started as a casual conversation after a board meeting, but soon became a passion for the trio.

“It’s just very supportive. Janet works out all the time. She swims, she bikes, she runs, so this was really a perfect fit for her. We were all there at the finish line to see one another get through,” Fiola says.

Johnson’s work and charitable schedules would seem as grueling as a triathlon on their own. Add to that a social and personal schedule that includes attending her grandsons’ sporting events, visiting out-of-town family, reading and seeing friends.

She should be exhausted, not the woman calmly smiling in her office. “She never seems to be worn out. She’s the Energizer Bunny of keeping it all together,” Fiola says.

Johnson’s energy comes from a simpler place. The work some think should exhaust her actually invigorates her. The stresses and struggles of pulling together a deal evaporate when she gets to walk into a tangible, physical place she helped create.

“I love seeing come to life what we’ve been working on for years,” she says. ■