

Top Lawyers:

Renato Matos of Capell Barnett Matalon & Schoenfeld On The 5 Things You Need To Become A Top Lawyer In Your Specific Field of Law

An Interview with Chere Estrin

Featuring **Renato Matos**, Partner

Capell Barnett Matalon & Schoenfeld, LLP

The legal field is known to be extremely competitive.

Lawyers are often smart, ambitious, and highly educated. That being said, what does it take to stand out and become a “Top Lawyer” in your specific field of law? In this interview series called “5 Things You Need To Become A Top Lawyer In Your Specific Field of Law”, we are talking to top lawyers who share what it takes to excel and stand out in your industry.

As a part of this interview series, I had the pleasure of interviewing Renato Matos.

Renato Matos is the Managing Partner of Capell Barnett Matalon & Schoenfeld, a New York law firm with offices in Manhattan and on Long Island. His practice focuses on religious and charitable organizations, real estate and construction law, and corporate and commercial transactions. He has been selected as a Rising Star by Super Lawyers and the New York Law Journal and is President of the Board of Directors for the Council of Church Advisors.

“Develop personal relationships with clients if you can. One thing that separates me from others in this field is that I take the time to develop a very personal relationship with my clients. I like to understand who they are and what drives them personally. And they me. Clients in this sector are family. Recently, I had a bishop, his wife, his grown children and their kids and spouses, and another pastor over for a pool party at my house. We had a lot of fun. And it made it possible for us to get to know each other — our backgrounds, who we are, and not just our work personas.”

— RENATO MATOS

Partner at Capell Barnett Matalon & Schoenfeld, LLP

INTERVIEW BEGINS ON NEXT PAGE...

Thank you so much for joining us in this interview series. Before we dig in, our readers would love to get to know you a bit more. What is the “backstory” that brought you to this particular career path in Law? Did you want to be an attorney “when you grew up”?

My parents were immigrants who came to the United States from Portugal. They grew up poor and neither attended high school. So making sure their children received a good education that prepared them for a profession was paramount for them. They made it very clear when I was growing up that I had three career choices. I was either going to be a doctor, a lawyer, or a failure. That was the kind of mindset they had. I don't like blood or hospitals, so I had no interest in being a doctor. But I always have been able to think pretty rationally and logically about issues, so the law and the idea of becoming a lawyer made sense for me. You could say that I've always wanted to be an attorney. And when I thought about the kind of law I wanted to practice, I always thought it would be international corporate law. In fact, when I left law school, I joined the international corporate practice at one of the largest law firms in the world.

I liked the work, but I never thought I'd stay in Big Law. So, in 2008, I had an opportunity to move and joined Capell Barnett Matalon & Schoenfeld. I initially planned to shift into tax law and even studied for my LLM in Tax at night. But then one day, the firm's founder Howard Capell walked into my office and said, “Hey Renato, I need help with this church real estate deal.” It was a subject that I had no experience in, so I told him, “But Howie, I don't do church real estate...” I might as well have been talking to myself. Howard Capell wasn't the kind of guy who took “no” for an answer. So, there I was, doing a church real estate deal with him, and I really fell in love with it and made it my focus. Now, that's how I'm known: “Renato, the church lawyer.”



Like any organization, the work I do for religious groups and nonprofits involves addressing issues similar to any operating company — employment, contracts, compliance, and, of course, real estate. But as my practice evolved, I started to notice a recurring theme regarding finances and real estate. I saw that whenever churches ran out of money, they would sell off a piece of property. And when that money ran out, the church would sell another piece of property. And another. Until there was nothing left to sell. It very quickly becomes obvious that selling church property, which is finite — how much property does one church own — is an unsustainable fiscal strategy. And the church or religious organization ends up back where it started — underfunded and deficit spending.

To stop the cycle and build a sustainable business model, we created what we call Mission Driven Development™. It's a unique strategy that enables churches and other religious organizations to develop their real estate in a manner that supports and continues their mission and ministries into the future.

What is the “backstory” that brought you to this particular career path in Law? Did you want to be an attorney “when you grew up”?

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Can you tell us a bit about the nature of your practice and what you focus on?

Today, my practice focuses almost entirely on representing religious organizations. The work itself runs the gamut — from negotiating the day-to-day sale or purchase of property to corporate governance issues, to boards of director issues — all of the challenges one typically addresses in any operating entity.

But what drives me, my particular focus, is the concept I coined called Mission Driven Development™. Mission Driven Development™ answers the question of how religious organizations can genuinely utilize and benefit from the real estate assets they own to further their mission and ministry in perpetuity. This is not simply about selling property, or looking at ground leases, or reviewing joint venture or affordable housing projects. It's about the sustainability of the church and its mission. It's about how to develop on-church-property to create the right spaces for the church and worship space and further other kinds of ministry goals while also providing the organization with an income stream that replenishes what for many churches is the ongoing deficits in their bank accounts. Mission Driven Development™ — helping religious organizations do good by doing well is what we do.

You are a successful attorney. Which three character traits do you think were most instrumental to your success? What unique qualities do you have that others may not? Can you please share a story or example for each?

#1 Is communication. I am fortunate that I can translate complex issues into plain English for clients who are not experienced real estate professionals. My goal is to help clients fully understand that selling their real estate simply to bolster a bank account is unsustainable, while structuring the right real estate deal could help them fund operations or their mission on an ongoing basis. To do this, one really must be able to communicate how these projects work and explain why the structure you recommend will benefit them and their communities.

Oftentimes, these decision-makers are unfamiliar with the stakes of what, for them, may be a one-time liquidity event. As their advisor, I have to be willing to answer every question and explain complicated concepts. Fail to explain the process and ROI fully, and you risk alienating clients and their boards of directors. Many of these members have been sitting in the same pew for 50 years. They are understandably nervous when discussing the possibility of demolishing their familiar church building and replacing it with a new, unfamiliar church regardless of the benefit accrued.

#2 Is honesty. This is an extension of communication — but in my case, it is my willingness to be brutally honest with clients. That is mission critical. And lucky for me, my clients say that my willingness to tell the truth and not just what they want to hear is refreshing.

I don't have a monopoly on good answers and advice. But when I see something that doesn't make sense, I have no problem sharing that information with my clients. As lawyers, we typically know the likely outcome given parameters of a specific real estate transaction — how much the church will realize and the mission/projects sustained. My job is to share that information so my clients can make informed decisions about what to fund and what to table.

Telling church directors or committees whatever we think they want to hear while knowing the likelihood that goal can be achieved is nil serves no one. Why would anyone tell church leadership, “Oh sure! We'll do this deal, sell this small property, and out of that windfall, you will get a beautiful new church building, money to build affordable housing, and still have ongoing cashflow,” when that is impossible. You have to ask yourself, if it sounds too good to be true, then...fill in the blanks?

Someone must be upfront. Give the church managers the information they need to make informed decisions — not sell them impossible dreams. There is only a finite pot of money to be realized in any property sale. Someone has to tell the development committee or the board of directors that given the funds they'll realize from the sale of this property, something has to give. Someone has to tell them that unless the property for sale is in the middle of New York City's Times Square, you will not be able to do everything that has been promised.

My mission is to help the people and organizations I represent to see the big picture. I must be a good steward. My responsibility as their attorney is to give them the information they need so they can ensure the church and its mission continue forward. Someone else might say, “Sure, why not use all your money to build a church for 400.” But I say, if you do that, five years from now, you will find yourselves back into the same cash-strapped spot you are in today.

I understand my brand of honesty isn't for everyone. But my clients seem to like it.

#3 Is be the best in your field. Learn everything you need to know and then let everyone know.

Do you think you have had luck in your success? Can you explain what you mean?

It depends on what you mean by luck. I do think luck has made a difference in my success. I'm lucky I was born to parents who made education the most important goal despite their circumstances. As immigrants to the United States, they knew they wanted my sister and me to go far in school and in life. So, they pushed us. My sister achieved a Ph.D., and I graduated from law school. So yes, I was lucky to be born into a family like that.

I was also lucky to have met Howie Capell, the attorney who started Capell Barnett Matalon & Schoenfeld, at the right time. We connected just as he was beginning to phase out from the church/nonprofit practice and took me in — kicking and screaming in the beginning — to work with him in it. Most people will probably say there is some form of luck tied to their success — especially the good fortune of being in the right place at the right time.



Do you think where you went to school has any bearing on your success? How important is it for a lawyer to go to a top-tier school?

I think that I am biased in my opinion. I was accepted into several top-tier schools, but I opted to attend a college and law school that offered me a full scholarship. So, I didn't graduate with debt.

I believe that if you are really focused, smart, and willing to bust your butt, it doesn't really matter what school educates you so long as it offers good academics, the right professors, and you focus. I went to Chaminade, a private Catholic high school for boys in Long Island. When I was considering which college offer to accept — the high-ranked college paying full tuition or the lesser-ranked school tuition-free, my guidance counselor told me, "The school doesn't make the person. The person makes the school."

I took his advice and I think the decision ended well for me. At Hofstra law school, I had a great team with me on the Law Review who were dedicated, smart, and driven. So, I think in a way that educational environment actually helped me more than disadvantaged me.

Based on the lessons you have learned from your experience, if you could go back in time and speak to your twenty-year-old self, what would you say? Would you do anything differently?

I would have gotten married a couple of less times. From a professional standpoint, I don't know what I would do differently because I'm so happy with where I am right now. From a career perspective, I'm working for the best type of clients doing really high quality, sophisticated work for good people, and getting paid fairly along the way. I have a good work/life balance. Maybe I could have done some things differently. But I'm not sure it would have changed anything or that I would have ended up in a different or better spot than I am now. To be honest, I am lucky in that I really cannot imagine how things could be any better.

This is not easy work. What is your primary motivation and drive behind the work that you do?

It's not about the money. As a lawyer, you can make money doing just about anything if you do it well. But that is not what motivates me. If it was, quite frankly, I could represent developers, not churches and not-for-profits.

For me, the primary motivator is that what I do makes a real difference. For example — I can be working on 12 or 20 new development projects at any given time. These could be for a new school building being built in Queens, or a new affordable housing project in the Bronx. What's interesting to me about the work I do is that I can drive around neighborhoods and see not just buildings built because of what I did, but buildings built that actually impact communities. There aren't a lot of people who can do that in service to such a diversity of faiths, diversity of ministry goals, diversity of locations. That is what motivates me.



What are some of the most interesting or exciting projects you are working on now?

Right now, I'm working on numerous affordable housing projects that are creating thousands of units of housing for people in Queens, the Bronx, and Brooklyn. Those are always exciting and interesting because, at the end of the day, these are projects of impact.

I have some projects where we've had to completely rebuild from the ground up because the original structure was not in good shape or because of its site location. Right now, we have buildings in construction that will become brand new church buildings. For me, the projects that end up as new church facilities are the ones that excite me the most. These often are four-to-five-year-long projects and, at their completion, is a new church that addresses the needs of their congregants and the neighborhoods they serve.

Where do you go from here? Where do you aim to be in the next chapter of your career?

My plan is to expand Capell Barnett Matalon & Schoenfeld to other geographies. Initially, we will take our church/nonprofit mission-based development and tax practices to south Florida. There are so many terrific churches in that market with properties and facilities that could better benefit them and their mission. And from the tax audit perspective, there are many New Yorkers

who have relocated to Florida but now face New York State tax audits. Ideally, I'd like Capell Barnett Matalon & Schoenfeld to team up with a local firm with roots in the area who may not be able to do what we do for our clients here. I'm not looking to compete. I'm looking to complement.

Ok, fantastic. Let's now shift to discussing some advice for aspiring lawyers. Do you work remotely? Onsite? Or Hybrid? What do you think will be the future of how law offices operate? What do you prefer? Can you please explain what you mean?

Even before COVID, my philosophy on working remotely has always been that people should work at the place and the time they are most efficient and do the best quality work. I think you still need comradery and meetings, so a firm cannot be fully remote all the time.

At present, Capell Barnett Matalon & Schoenfeld has a flexible work policy. I usually do two days/week remotely and then three days in the office or the reverse. I think hybrid is the future. It certainly is already here for my practice group. Whether a practice or a firm goes hybrid is, I think, specific to the partner and practice area. Some people don't work well remotely. But I think the hybrid workplace is going to be here to stay.



How has the legal world changed since COVID? How do you think it might change in the near future? Can you explain what you mean?

Even before COVID, I think the legal world and many older attorneys were already dealing with this “concept” that millennials and those coming after them just don’t have that same work ethic as previous generations. I think they actually did and do have the same work ethic. I also think they are interested in their quality of life and are willing, for the most part, to accept reduced compensation in exchange. In many ways, this new generation of attorneys has always been very willing to put their money where their mouths are.

I think what COVID did was basically show millennials that they are right. And I think there were and are attorneys who put in enormous hours because they simply didn’t want to go home. Maybe they didn’t like their spouse or partner, or they thought their life’s mission was to sit in the office for 14–16 hours/day. I believe what COVID taught to everyone — not just the legal profession — was how important it is to spend time with your family and friends, make time for yourself, and even work from different locations if that makes you happy. Besides the fact that COVID was terrible, I think the cultural changes that came out of it are great, and I hope they stick. It will for me.

The New York State Court of Appeals recently commissioned a study on recommendations for lawyers going forward, and two of its most significant findings were:

- Lawyers should be encouraged to take more time off;
- and there should be a cap on billable hours.

I agree with both those points. I have law school friends still with Big Law. The hours they have to put in are punishing, and they are absolutely miserable. Life is short. So, I’m not sure that an 80-hour workweek is the way to do it. If you need to make \$3–5 million dollars/year as a senior partner, then that’s what you signed up for.

We often hear about the importance of networking and getting referrals. Is this still true today? Has the nature of networking changed or has its importance changed? Can you explain what you mean?

Networking, getting referrals, and bringing in business are critical. You know as well as I do that no one fires the person that brings in the money and the clients. That’s the reality at any business, not just a law firm.

The nature of networking may have changed a little bit — less in-person contact all the time and more Zooms. But as people feel more comfortable, the ratio will probably shift. Zoom is excellent for initial communications. Pre-COVID, you used to schedule your first meeting over the phone or sometimes in person. Face-to-face first meetings took a lot of time. Zoom allows for an initial connection. Once you’re connected, face-to-face is happening. My clients like to get together for lunches and dinners. In-person meetings are coming back.



Based on your experience, how can attorneys effectively leverage social media to build their practice?

Social media is a tool that provides clients/prospects/referral sources with an opportunity to get to know us as a firm and as professionals. It does raise the firm's visibility and the visibility of our members. So, we actively post announcements and updates on social media platforms and interact with anyone who comments. It's a platform for connecting with and updating our contacts about the firm's activities and the accomplishments of our members.

What are your "5 Things You Need To Become A Top Lawyer In Your Specific Field of Law?" Please share a story or an example for each.

#1 Mentor to advance your craft (NOT NECESSARILY IN THIS ORDER)

Having a mentor in one's practice who can show you the ropes is of enormous value. Mentoring others in your practice so they can hone their craft is equally important. But the greatest value in being a mentor is that in teaching others, we learn ourselves.

I don't think one can fully grow as an attorney — not just in a religious organization/ nonprofit law practice, but in any practice — without mentoring another — having a junior working under you that you can aid. Mentoring allows you to think about things — the

clients, the work — in a completely different way. When Capell Barnett Matalon & Schoenfeld's two newest partners joined the firm as junior associates in the religious/nonprofit practice that I chair, I spent a lot of time mentoring both of them as they worked their way through to partnership in the firm. Today, as my partners in the practice, the three of us have complementary strengths that enable us to work really well together. Now, they, too, are paying that forward. One of the best self-training tools I can give them is the opportunity to mentor others. And they are, mentoring associates. Mentoring is a tenet of our firm. I'm a big advocate of making sure that that mentoring happens on every level.

#2 Never eat lunch alone

I didn't invent the concept. But it is the one piece of advice I share with everyone: Never have lunch by yourself. (I acknowledge that the concept of eating lunch with someone was a little different during the Pandemic.)

I spent the greater part of my first eight years as a young lawyer, a midlevel attorney, and then as a partner going out to lunch or dinner nearly every day with potential clients and potential referral sources — even on occasion with people I found myself questioning the value of our lunching, quite frankly. But my goal was that they left the meal with my niche, "Church Lawyer," firmly cemented in their memories. And the ROI was and is always remarkable.

I also find it amazing that I'll get an email, maybe two years later, from someone who suddenly remembers me. They'll write or call to say, "I remember we had lunch two or three years ago, and I never thought I would need to reach out to you, but I have this church client that has some issues."

I think it is essential that every attorney, not just younger lawyers, get out there and make sure folks know what it is that you do. You have to eat lunch anyway, so you might as well use that time to make connections.

#3 Understand your client's mission/goals

This is appropriate to any lawyer at any level and in any practice. However, in my practice as the Church Lawyer and advisor to not-for-profits, it's mission-critical.

If you cannot understand that the mission and goals of your client, if you cannot understand what they are trying to accomplish and where, then it's impossible, I think, to really be a good advocate for a religious organization or not-for-profits. Unlike representing a for-profit company, the answer to what drives a not-for-profit board or church leadership is not necessarily going to be "cash" every time. Particularly for religious organizations, what motivates them is not always going to be the same as the motivations of your for-profit clients.

My advice to attorneys considering a religious/nonprofit practice is to really understand who your not-for-profit client is, what their mission plan is and what their goals are. Without that understanding, you cannot provide proper legal advice or any advice for that matter. Your advice must further their goals.

Taking this a step further — develop personal relationships with clients if you can.

One thing that separates me from others in this field is that I take the time to develop a very personal relationship with my clients. I like to understand who they are and what drives them personally. And they me. Clients in this sector are family. Recently, I had a bishop, his wife, his grown children and their kids and spouses, and another pastor over for a pool party at my house. We had a lot of fun. And it made it possible for us to get to know each other — our backgrounds, who we are, and not just our work personas.

Connecting personally with clients helps attorneys at every level better understand how to best communicate with each client. The world of nonprofits and for-profit organizations are similar, but not the same. It is critical to understand the language of each, and you can only do that by spending some time understanding who that person is. I find that getting to know people on a personal level, whether it's going out to dinner or a show, or going out to a play, helps me understand who this person is and how best to communicate with them so that I can then, of course, be a better attorney and advisor to them, to that person.

#4 Be informed on anything and everything that affect your clients.

As an attorney in any practice, you obviously need to be on top of any changes in the law, or environment, or circumstances that affect your clients. This means having your finger constantly on the pulse of the things that can and are impacting your clients.

If you are a tax attorney, that means making sure you are on top of every regulation that comes out so that you can better advise your clients. If you are an attorney representing nonprofits and religious organizations, it means understanding and being ready to address the issues that affect churches, other religious organizations, and nonprofits at any time.

Changes in the law happen frequently at the state, local, and federal levels. Understanding that change is constant and conveying to your clients what that change means for their organizations is critical. As an attorney and advisor, you can't just sit at your desk waiting around for clients to come to you with a question. When you see breaking legislation or changes in the law, it is important to get that information out to your clients ASAP.

The PPP loans during COVID are a perfect example of a change in the law that demands proactivity. PPP loans represented one of the first times Federal funds were permitted to flow to religious organizations. It was a very unusual opportunity because there historically has been little interaction between the church and the state, so to speak. When the opportunity arose to apply for funding, no one in the church really knew what to do. So, we got deeply involved. We quickly got up to speed in understanding all of the PPP releases and rules so that we could share that information with clients — emailing alerts, holding webinars to explain in lay terms how they should go about the process. In many cases, we even connected them to potential lenders because most of these religious organizations and not-for-profits weren't big enough for their big banks to pay them any mind. We stepped outside of the box on their behalf during a difficult time to help them get to the right place to get funding.

#5 Be patient and educate

I think being patient when not everyone knows what you know is especially and particularly important in my practice area. For most clients, the law is not something familiar to them. In representing nonprofits and religious organizations, in particular, you have to have the patience to spend time educating the client so that they can make informed decisions.

In religious organizations, for example, you oftentimes are working with lay leadership. These may not be lawyers, accountants, or experienced in business. The issues I bring to the table as their lawyer aren't their particular area of expertise. So, what I would tell an attorney who wants to be successful in this arena is that it is impossible for you to be a proper advisor in this field without really spending the time to educate your client along the way. How you do it can vary. It can be a largescale conference, webinars, or church meetings on Sunday to talk through an issue. It is important to keep in mind that your clients, these people, are smart folks. But they need information you have so that they can make informed decisions. You must have the patience and the time to explain the issues to them, answer questions, and help them progress along the way. That is imperative if you want to succeed.

We are very blessed that some of the biggest names in Business, VC funding, Sports, and Entertainment read this column. Is there a person in the world, or in the US with whom you would love to have a private breakfast or lunch, and why?

Easy, BRITNEY SPEARS. Just kidding (well maybe a little bit). Queen Elizabeth II. Few people have witnessed so much modern history from that vantage point. It would be like having lunch with hundreds of influential people at one time.

This was very inspiring. Thank you so much for the time you spent with this. We wish you continued success and good health!