

Real estate attorney makes his mark with Stow site

Clunk's family of companies has grown with dramatic rise in housing defaults

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Attorney John Clunk started his business in January 1999 with a fax machine in the den of his Hudson home and the benefit of 13 years' experience as a creditor attorney.

By January 2009, he plans to move the business — now an enterprise with seven companies employing 170 people — to an office building that Omni Development Co. will begin constructing next month in Stow.

Mr. Clunk's business interests might be considered economic barometers of the region's and nation's home-foreclosure blues, as they serve what he calls the "real estate default industry."

What is now termed the "JDC Family of Companies" provides a variety of legal and real estate services to lenders. The 11-lawyer firm John D. Clunk Co. LPA specializes in representing national lenders in foreclosure cases in Ohio. Five sister companies provide related services, from

Process Pro LLC, which serves parties notices of cases, to KJC Management, which maintains properties in foreclosure.

Another concern, Ohio REO Realty LLC, sells bank-owned homes for lenders, and Sovereign Title Agency LLC provides property title services, while Ethan Daniel LLC provides a proprietary case management technology Mr. Clunk hopes to sell to other firms.

"When I started the company, there was a static amount of (foreclosure) business," Mr. Clunk said. "Who gets the business is based on the best service, price, communications and all of that. Once I was able to get a share of the market, the volume followed suit as the industry grew."

Mr. Clunk said he needs a new business home to expand and to improve efficiency by putting all the companies under one roof. The new, 38,000-square-foot building will be 46% larger than the offices Mr. Clunk's companies now occupy in two buildings he owns at 5601 and



JASON MILLER

John Clunk started his company in 1999 and has built it into JDC Family of Companies, a 170-employee firm that will move by January 2009 into a 38,000-square-foot building in Stow.

5611 Hudson Drive in Hudson and at leased space at 5603 Darrow Road.

The new building on Steels Corners Road and state Route 8 is a big development for Stow, according to Chuck Wiedie, the city's economic development director.

"It's the largest office building constructed in recent memory in Stow," Mr. Wiedie said. "It is also

designed to match the nearby Stow Municipal Court, which is under construction." Mr. Clunk's concerns will bring a \$6 million annual payroll to the city, he said.

The city will abate about 70% of the new building's property taxes for 13 years, a ratio that includes abatement for half of the Stow school district's share of property taxes, though the company will make a \$25,000 cash payment to the schools, Mr. Wiedie said. The deal saves the JDC Family of Companies about \$60,000 yearly, he estimated.

Mr. Clunk's application for the abatement estimates employment at his companies will grow to about 215 in three years, but Mr. Clunk said actual growth will depend on how much business they win in the future.

Because the companies are moving from Hudson, Mr. Wiedie said the developer and Mr. Clunk were asked to make an extra effort to find property to remain in Hudson, which they did.

However, Mr. Clunk said the property tax abatement played a key role in the decision to move to Stow, as success at winning work from lenders relies in part on providing competitively priced services. He said lenders are focusing on reducing costs from vendors to save money in order to provide more flexibility in working with borrowers.

Mr. Clunk isn't going it alone in the new building. He said he will be a 50% partner in the building with principals of Pride One-Omni Co., the parent company of the building's developer.

Patrick Finley, managing partner of the Omni Property affiliate of Pride One-Omni, said the project landed in Stow because the city was aggressive in providing the property tax abatement. Omni also will handle the disposition of Mr. Clunk's two office buildings, either by lease or by sale, Mr. Finley said. ■