

Real estate lawyer loves Paris, SEI and Miles Davis

BASICS

Name: David A. Lokting.

Title: Attorney/shareholder.

Firm: Stoll Stoll Berne Lokting & Shlachter PC.

ON THE JOB

Describe your job: I head what is now the real estate and business group at my law firm. We represent individuals and small and midsize businesses in all types of business matters from starting and financing the business to preparing and negotiating contracts, forming partnerships or joint venture alliances and selling the business. We handle business transactions of all types, with a particularly strong concentration in commercial real estate, representing developers, investors and syndicators in commercial and residential developments, affordable housing, acquisitions, financings, leasing and sales of investment real estate, and equity placement.

Professional history: After getting my law degree from the University of Oregon, I decided that I wanted to concentrate on business law and business transactions. I applied to and was accepted in the Master of Laws program in taxation at New York University School of Law. My goal was not to become a tax lawyer per se, but to gain a foundation in tax law to pursue a broader business practice. I joined my firm in 1983 straight out of NYU as the firm's first and only business lawyer.

BUSINESS ATTITUDES

Essential business philosophy: I'm a Golden Rule person. It works in life; it works in business. I try to be considerate and respectful of others, even when I am (or my client is) at odds with them. You have to create the working framework for finding common ground. That is where the solutions are.

Best way to keep competitive: In law, as in any service business, you have to be knowledgeable, and you have to provide excellent service. Deadlines in business transactions — real estate in particular — have become shorter. I make sure that I timely perform anything that is in my power to control, no matter what effort is required.

Tell us about a trend or hot topic in real



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estate law: Tenancy-in-common arrangements have been hot for the last several years and are getting hotter. These arrangements take advantage of an IRS procedure that clarified how they might be structured to qualify for tax deferral under Section

1031 of the Internal Revenue Code. There's a big debate now whether they involve the sale of real estate or the issuance of securities (in the securities law context, not necessarily the tax law context). The outcome of that debate has significant consequences for all of the players.

New Market Tax Credits are also a hot topic and an interesting development in real estate. They can aid significantly the equity formation for hard-to-develop projects. They're complex and not well understood. As a result, they do not always deliver the intended benefits in an efficient manner (that is, the potential financial support is diluted by fees, high investor yields and extraordinary transaction costs — yes, including legal fees). Hopefully over time the kinks will work out to allow these credits, if continued, to become a significant driver of development in low-income areas, much the way low-income housing tax credits have driven affordable housing.

AWAY FROM THE OFFICE

What do you do to relax: I go for walks with my dog, Joey (he's a spunky terrier — some would say he walks me). I also enjoy listening to music of all types — jazz, chamber music, rock and roll — at home or at many great Portland venues.

Describe a charitable or political cause you actively support, and why: I have served on the board of Self Enhancement Inc. for the last eight years and am its treasurer. SEI is dedicated to boosting achievement for disadvantaged youth, primarily inner-city African-American youth. Its programs are founded on teaching respect and self-respect. Most of us do not realize the lingering effects that 300 years of slavery and 100 years of segregation have on the African-American community. Other than Native Americans, African-Americans are the only group

among us who did not come to this country freely seeking opportunity. More must be done to open up opportunities to them. That can only occur if they believe America is the land of opportunity, as everyone else has believed. SEI instills in youth the belief that "Life has Options" and gives kids the self-confidence to realize their full potential. It all starts there. The organization is a tremendous success and is extraordinarily well run, and its executive director, Tony Hopson, is a treasure.

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PREFERENCES

Most influential book: "The Ugly American" by William J. Lederer and Eugene Burdick. The title is frank. Written nearly 50 years ago, the book examines the perils of arrogance and the failure of America to understand the culture it was dealing with while trying to influence the political forces of Southeast Asia. I read the book while in high school at the height of the Vietnam War. It helped me to become an independent, critical thinker. Clearly, it continues to have currency.

Person most interested in meeting: Condoleezza Rice. She's smart and really stands out in the current administration.

Favorite music/musician: Jazz. Miles Davis is my favorite musician, not just for his own musical talent, but as an innovator and a leader of others. "Birth of the Cool" says it all.

Favorite Portland-area restaurant: It's nice that this is now such a hard question, but Oba! is my favorite because it is great on so many counts — great food, great bar, nice atmosphere, fun and a perfect place to bring business clients — out-of-towners love it.

Favorite travel destination: Paris. Art, food, shopping.

Favorite ice cream flavor: Chocolate.

Tell us one bit of personal trivia that might surprise people: Made a front-page appearance as Zorro.