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Ex-Kutak Rock Lawyer Lotzar Strikes Out on His Own

By Jim Watts

DALLAS — Long-time Phoenix-area bond attorney **Chuck Lotzar** has opened the doors on his own Scottsdale firm, **Lotzar Law Firm**, after nine years with **Kutak Rock** LLP and a 20-year career in Arizona's **Maricopa County**.



Chuck Lotzar

"We'll be focusing mostly on private-activity bonds in the housing sector," Lotzar said. "That's where I've spent most of my career, and that's where the future is." Lotzar has been involved in financing transactions totaling more than \$6.5 billion, including more than 100 apartment projects, a sports arena, hospitals, factories, schools, and universities.

The firm, which opened its doors Friday, features national-level expertise in low-income housing tax credits, tax-exempt bonds, structured finance such as collateralized mortgage-backed securities, and multifamily residential rental housing. The firm's general practices include real estate, private placement of securities, and business formation, including debt and equity financing, as well as the acquisition and sale of businesses.

The focus of the new law firm will be national, Lotzar said.

"We're looking all over," he said. "I'm looking to do bigger deals, and fewer of them. We'll be doing some pool transactions as well."

Lotzar said it was a difficult decision to leave a national law firm such as Kutak Rock and strike out alone, but that the timing was right.

The outlook for housing and commercial developments in Maricopa County is good, Lotzar said, and getting better.

"This market is as good as I've ever seen it," he said. "The projections are that 40,000 to 60,000 homes will be built each year in Maricopa County for many more years. If you have some property and the ability to manage construction, then you'll do well for a long time."

Many of the new residents in the Phoenix area are from California, he said, but all regions in the country are represented in the inflow.

"We're definitely in a property seller's market, with too much money chasing too few deals," he said. "I don't know how long it is going to last, but it will extend into the foreseeable future."

With interest rates near historical lows, Lotzar said, the advantages of tax-free financing aren't as significant as they would be in a high-inflation environment.

"I expect to do more taxable transactions in this financial climate than tax-free deals," Lotzar said. "Right now, there isn't enough of an interest

rate spread between a taxable bond and a tax-free bond to make it worth the pain you have to go through on a tax-free deal."

Lotzar said he is grateful for his time at Kutak Rock, but that he is looking forward to flexibility inherent in a smaller firm and the freedom to pursue a wide range of projects.

"Kutak Rock was a great place to work," he said. "But to be fair to your partners in a large law firm, there has to be a focus on billable hours, which can be at odds with your own individual goals. With a smaller firm, I can find a way to take care of our clients' interests while pursuing my own ambitions.

"More than anything, I am excited to have the independence and flexibility to pursue entrepreneurial activities while still providing excellent service to some of my longstanding and future clients."

"Chuck is the finest lawyer-businessman I've ever met," said **Pat Ray** of Kutak Rock. "Of course he is irreplaceable, but we were talking about expanding our presence here even before Chuck decided to leave The next best thing to having Chuck as a colleague is having him as a client, and as he does his entrepreneur thing, we'll be doing that."

Lotzar has a bachelor of arts from Michigan State University and a law degree from the University of Detroit School of Law. □