

# DAVID BLOOMBERG

## A Pioneer in Condo Deconversion Work

by Dave Argentar

When David J. Bloomberg stares up at a tall building full of condominiums, he doesn't just see concrete, steel and glass.

He sees neighbors trying to live together. He sees owners turning units into homes and protecting the most significant investment of their lives. He sees condo board members trying to balance their fiduciary roles as stewards for their community with their own interests as members of that community. He sees people.

Along with his vast experience and pioneering work in condo deconversions, his focus on the human aspects of this work has earned Bloomberg a reputation as one of the premier condominium attorneys in Chicago. A shareholder at Chuhak & Tecson, P.C. and leader of the firm's Condominium and Common Interest Community Association practice group, Bloomberg says that relationships are at the core of his practice and what led him to pursue a career in the law.

"I like getting to know people. I like understanding what makes them tick," Bloomberg says.

"Over the years, I've drawn the most satisfaction from hearing what my clients' goals are and being able to work with them to achieve those goals. It's what keeps me going—the year-to-year relationships and the challenges of working with condo boards and other clients who all have their own unique dynamics and inclinations. I love watching and participating in the evolution of these relationships."

The importance of strong relationships was something Bloomberg learned from his father Steven, also an attorney and shareholder at Chuhak & Tecson.

"My dad's personality as a lawyer matches up well with his personality as a father," he says. "His best attribute is not his textbook knowledge of the law—though he has that in spades—but using the relationships he's built with his clients to give them guidance that they will trust on a holistic level for their business or for the problem they're having."

Talk to Bloomberg's clients and friends and it's clear that what drives Bloomberg in his practice and his life are the strong bonds he



builds with others and the deep interest he takes in their lives.

Jordan Scher, a close friend and fellow member of an informal group of like-minded buddies that meets for a run and conversation every Sunday morning, agrees that Bloomberg's sincere concern for others is undeniable and invaluable.

"David really cares about people," Scher says. "He's always willing to take the initiative, get involved and help someone out. It's no surprise that he builds deep, long-lasting relationships on both a business and personal level."

## A DECONVERSION TRAILBLAZER

Bloomberg's professional evolution includes spending time living in an apartment on Manhattan's Upper West Side.

As a hard-working associate with a young family, the jazz-loving Bloomberg looked forward to coming home at the end of a long day to play the saxophone. However, he realized that doing so late at night with neighbors on all sides separated only by thin sheets of drywall was hardly the place to do it.

"Sometimes, I would play in the parking garage of my building just to get away and practice," Bloomberg says. "I was really conscientious about not disturbing my neighbors."

He thinks back to playing for that audience of automobiles and chuckles at the irony of now being the person that those neighbors would call if someone was being noisy, inconsiderate or causing a nuisance.

"It's funny because a large part of my current practice involves representing condominium and common interest community associations," he says. "I am required to advise about the proper handling of nuisances, noise complaints and the like, and I think back to my own experiences when I have to intervene now."

Of course, keeping the peace among neighbors is not all that is involved in representing and counseling condo associations. Over the past decade, investors and developers have deconverted thousands of condominium units throughout Chicago into rental apartments. Bloomberg was one of the first attorneys to become actively involved in this previously dormant area of the law.

Today, as the condominium practice group he leads celebrates its 10th anniversary at Chuhak & Tecson, he is a frequent speaker and writer on deconversion law, sought out by boards, developers, unit owners and his fellow practitioners for his insights and perspectives.

Rising out of the ashes of the 2008 financial crisis—when scores of condo buildings were left half-completed after their developers went under and lenders foreclosed—deconversions were at first a way to get the capital infusions needed to finish the projects and create cash flow.

But as the rental market in Chicago continued to see explosive growth, more institutional investors who wanted a part of that market saw deconversion as a cheaper alternative to new construction.

In turn, more buildings, more units, more boards and more owners found themselves confronting the legal, financial and emotional issues involved in deconversions.

"When developers and investors come knocking and the interests of individual unit owners or board members diverge, it can be very disruptive," Bloomberg says. "You can have some owners in favor of deconversion who see objecting neighbors standing in the way of a lucrative payout. Conversely, other owners who have no desire to sell their units face the prospect of being kicked out of their homes by the decisions of their neighbors."

On top of that, the members of condo boards confront an inherent conflict of interest when presented with a deconversion opportunity, Bloomberg says.

"These members are also owners who may personally favor or oppose a transaction," he notes. "But their roles on the board require them to maintain their fiduciary responsibilities to their fellow owners. These competing interests often create suspicion and conflict among owners who may feel that board members are unfairly putting their thumbs on the scale instead of navigating the process on behalf of the whole community."

Another issue Bloomberg must contend with is the power imbalance between large, sophisticated developers and unit owners who lack the knowledge or understanding of the law to understand their rights and the process.

"That's why we focus so much on open and honest communication between boards and owners as well as client education," he says. "Knowledge is power, and transparency is the best way to minimize any sense of injustice or unfairness that some may feel."

Bloomberg says his ability to appreciate the concerns of the individuals behind the complex deconversion transactions or contentious disputes he handles is as essential as his in-depth knowledge of the law.

"As deconversions continue apace and more attorneys get involved in the practice, there is a danger of the work becoming commoditized, that it becomes seen as just a matter of documentation and math," Bloomberg says.

"Our approach at Chuhak & Tecson recognizes that the value of what we do comes from our ability to facilitate these transactions through the development and preservation of relationships based on openness and trust."

## HERE AND BACK AGAIN

The fortuitous circumstances that led the Bloombergs to join Chuhak & Tecson in 2010

came after a journey that took the younger Bloomberg to Atlanta and New York City before he returned to Chicago. Born and raised on the North Shore, Bloomberg attended Emory University in Atlanta in large part because of the strength of their preprofessional programs.

While at Emory, Bloomberg followed his lifelong passion for jazz and playing the saxophone, performing in a jazz ensemble and helping to launch the Emory Jazz Festival, an event still going on to this day.

"I loved being part of the jazz ensemble there," Bloomberg says. "Helping the band grow, becoming teammates with the other members of the band. I still have relationships with those folks all these years later."

After graduating from Emory *magna cum laude* in 1998, Bloomberg returned to the Chicago area to attend Northwestern University School of Law. There he discovered an affinity for litigation after taking a trial advocacy class during his second year.

"Going into law school, I didn't know what kind of lawyer I wanted to be," Bloomberg recalls. "But I loved finding my voice and the communication of ideas that occurs during the process of preparing and making an argument. At that point, I knew I wanted to be a litigator one way or the other."

At Northwestern, Bloomberg also discovered an affinity for Kim, the woman who would become his wife. Introduced to her through a classmate, Bloomberg says "there was an immediate connection." They were engaged 11 months later.

"It wasn't a tough decision to make," Bloomberg says with a grin.

Kim was earning a master's degree in education at the time they met and now runs a successful jewelry design business on Chicago's North Shore. The two now live in Glencoe with their children, Jacob and Madeline.

## JUMP INTO THE FIRE

After law school, Bloomberg returned to Atlanta and began his career at King & Spalding LLP, the largest law firm in the South.

"It was an old school, white-shoe firm where you had to wear a suit every day and a lot of the partners wanted to be addressed as 'Mister,'" Bloomberg says.

"It was actually a great place to start practicing law," he adds. "A firm like that demands a certain quality of work product from its associates. It reinforced the need to have strong attention to detail and a relentless work ethic."

After two years in Atlanta, Bloomberg moved to New York City, where Kim was from, and became an associate at Bryan Cave LLP. He learned a key lesson in his development as a lawyer there. The firm had just taken over a large number of product liability cases, and

the partners put a pile of about 20 files on Bloomberg's desk.

"I remember having a sense of panic," he says. "I thought I was doomed to fail because I wasn't familiar with what I was doing and was being given a degree of autonomy unfamiliar to a big-firm associate."

That panic didn't come through to one of his mentors at Bryan Cave, Jeffrey Morof. He remembers a young associate with confidence and maturity beyond his years, even on high-profile cases in which Bloomberg had little experience, including litigation arising out of the 9/11 attacks.

"He was sort of fearless," Morof recalls. "You could give David any assignment, and he would never say no. He would just jump into a matter and take the initiative. Even if he didn't have the background for it, you had the utmost confidence that he was going to do a great job."

In retrospect, Bloomberg says, being thrown into the fire like that was one of his best experiences as a lawyer—one that now informs how he guides associates at Chuhak.

"I think the only way that associates learn to do a good job is to take on a bit more than they can chew and to have that safety net taken away a bit so they have to think on their feet, make judgment calls, and provide service to a partner like a partner provides service to a client," Bloomberg says.

## THE HOMECOMING

During his eight years in New York, Bloomberg built a thriving practice with a large stable of clients. His development as an attorney included the recognition that to truly be successful in the practice of law and serve your clients to the best of your abilities, you need to practice in the way that best suits you.

"During those early years of practice, as you start building relationships with clients, that's when you really learn to reconcile who you are as a person with who you are as a lawyer," Bloomberg says. "But as the years pass, you realize you can be most effective as a lawyer when you find what works for you in terms of a style of dealing with clients, a style that works while in court, a style of writing and the like."

Returning to Chicago in 2010, Bloomberg's desire to practice his own way led him to Chuhak & Tecson, where Bloomberg has found a firm that allows him to do precisely that.

"Chuhak has been a perfect fit for my growth as an attorney in a lot of ways," he says. "The firm encourages you to build a practice that's the most effective for you from a business perspective and a client relations standpoint. I have the freedom to work with different clients in different ways that are best for them. This, in turn, leads to better client

relationships and results."

At the same time Bloomberg was looking to return to Chicago, his father Steven was also looking to make a change—exploring moving his robust condominium association practice to another firm.

Enter Chuhak, which offered the Bloombergs the opportunity to join the firm. It also provided Bloomberg the chance to practice with his father for the first time in his career, something that was of little interest to him years earlier.

"If I had started working with my dad straight out of school, I don't think I would have enjoyed it. I wanted to build my career on my own," Bloomberg says. "But after almost a decade of practicing—knowing who I was, having my own set of skills, clients, experiences—it has been a lot of fun."

Part of that fun is building a thriving practice representing condominium associations with the complementary skill sets that father and son bring to the table. David has a strong litigation background and Steven has a more transactional focus.

"My dad is first and foremost a great resource," he says. "I treasure the ability to work with him and collaborate with him on a daily basis."

Steven Bloomberg shares similar sentiments about working with his son along with admiration for his success in growing the practice.

"David quickly garnered the confidence of clients that I have worked with over the years

and, most importantly, through good work has brought new clients into the practice areas that we share," the elder Bloomberg says.

"He has also broadened the condominium practice by using the expertise he acquired working with other fine lawyers in law firms in Atlanta and New York. These skills and the tremendous lawyers here at Chuhak & Tecson have allowed him to be a trailblazer, especially in handling condo deconversions."

In addition to his condominium practice, Bloomberg has extensive experience handling a broad spectrum of product liability claims on behalf of aviation and automotive industry clients, as well as manufacturers of commercial and consumer products. Bloomberg is also active in the management of his firm, having served on Chuhak & Tecson's management, marketing, recruitment, finance and litigation committees.

Bloomberg continues to manifest his love for jazz through occasionally jamming for friends and his work on the board of the Jazz Institute of Chicago, increasing the awareness of and appreciation for the music that moves him so much.

"Jazz is just so fundamentally creative," he explains. "You could play a song a million times and every time it could be different."

"You're creating music on the spot, and the sheer amount of commitment, discipline and preparation it takes to sit up there and work with others to spontaneously create something so beautiful and so melodic—it hits me every time." ■

