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DEVELOPER PROFILE



Beyond Expectations

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By Tara Alexander

LAYING A GOOD FOUNDATION

By the age of 10, Dan Welsh was already learning the rewards and sacrifices of hard work. While most of his friends were just getting out of bed and settling in for Saturday morning cartoons, Welsh had already spent hours washing company trucks for his father.

Now at 37, Welsh is hard at work growing his own development company, Welsh Development Company, while continuing his career as a real estate agent for Prudential Preferred Properties. As both careers continue to flourish, Welsh relies on the work ethic he gained at an early age, and always has one ear open when it comes to his father's advice.

A GROWING BUSINESS

Established in late 2003, Welsh Development has built and sold single-family homes, parcels and currently produces both spec and custom homes.

Using his resources as a real estate agent, he is able to locate the best-valued properties in the Roscoe Village and Lakeview areas as they come on the market. When deciding how to best develop those properties, he relies on competitive intelligence, gained through countless hours of showing other properties as a real estate agent and benchmarking the competition. He has been able to capitalize on his



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dual roles as real estate agent and developer by translating lessons learned into both careers.

In many respects, Welsh's homes exceed what anyone would expect of a single-family home in the \$1.15-\$1.3 million price range. As with most good design, the difference is in the details. He understands the importance of creating a beautiful and functional kitchen. People expect state-of-the-art appliances, but the use of high-end marble and trim work can never be underestimated when capturing a potential client's imagination. Welsh employs several other subtle, yet effective tools for setting his homes apart, such as full second-floor laundry rooms, radiant heat on the lower level floor, quality landscaping, plasma-readiness, wine rooms and media centers.

"Quality is the key of any project," said Edward McCarthy, Project Supervisor for Welsh Developments.

McCarthy, who has been in the development industry for many years, has shared his experience, his philosophies and his best people with Welsh.

"He's kind of shown me the ropes in the single-family construction market," Welsh said. "That's why I think I was able to get my company producing so fast."

The two met when Welsh purchased one of McCarthy's homes; from there the relationship has blossomed into a friendship and business partnership that is based on mutual respect.

"The guy's straight up," McCarthy said. "He is an honest person."

When Welsh first expressed an interest in learning the business from McCarthy, the long-time developer had one prerequisite: they use McCarthy's subcontractors, many of whom he has worked with for more than a decade.

"They're not the cheapest guys out there, but they're really good," McCarthy said.

One benefit of using McCarthy's subcontractors is that clients can depend on the project's completion date.

"I like to say, when you're moving in you'll be moving in: that's that," McCarthy said.

One of the most important lessons McCarthy has passed on to Welsh is the importance of spotting quality materials and being willing to pay a little more once he finds them.

One such material is cement board siding, which is used in place of traditional vinyl siding. Cement board siding costs about \$10,000 more per project, but the benefits are well worth the price.

It is fire-resistant and creates a beautiful finish, he said.

Beyond making solid choices on materials, McCarthy sees Welsh as a very hands-on developer.

"He comes in there two, three times a day," McCarthy said. "He sometimes cleans up the project ... when you clean up the project you see everything."

It is common for Welsh to pick up a broom and clear a room, which gives him the advantage of noticing details that other developers will not see during drive-by inspections. Having Welsh on the property also sets neighbors at ease, creating more goodwill and better communication during the construction process, McCarthy said.

HOMES THAT MAKE SENSE

Welsh lives in Roscoe Village with his wife, Tracy, and their children, Danny Jr., 6, Molly, 4, and Maeve, 1.

He credits Tracy with handling the interior design for his properties. "My wife has very good taste," he said.

Tracy enjoys the challenge of designing a home that will capture a buyer's interest.

In many respects, Welsh shares the same lifestyle and goals as those of his clients. "I base it off of what's functional," he said.

All of Welsh's homes are five-bedroom, built to maximize the allowable square footage set forth by zoning.

Welsh sees his homes as a way for city dwellers to accommodate growing families, without sacrificing the urban lifestyles they value.

"Roscoe Village, it's been an up-in-coming neighborhood for the last five years," he said. "It's a very young, family-oriented neighborhood ... there's so many restaurants, shops and activities you can walk to."

In September, Matt Beitzel and his wife, Alison, moved into one of Welsh's Roscoe Village homes on the 3500 block of Hoyne Avenue.

"We knew my wife was pregnant and we were running out of space," Beitzel said. "That was actually the reason why we moved to Roscoe Village — we lived in Lincoln Park in a two-bedroom We weren't ready to move to the suburbs quite yet, so Roscoe Village allowed us to stay in the city without paying quite as much as Lincoln Park."



In addition to affordability, there were other qualities that attracted the Beitzels to Roscoe Village.

“It just feels like there’s a lot more owners and a lot more people who have a vested interest in the area than Lincoln Park,” he said.

The Beitzels were looking for a home with a prime location that their expanding family could grow into, and Welsh’s three-floor, five-bedroom property more than fit the bill.

“During our search that started in May, we probably looked at 40 to 50 places . . . and the layout of this one struck us,” Beitzel said. “This one you just walked into and it felt bigger.”

At first glance the home had a very open feeling to it, but since living in the house, Beitzel has come to realize how efficiently each space is designed.

“It’s the living spaces, the design of the kitchen, the island, which runs parallel with the kitchen instead of dividing the room in half,” he said. “The rooms aren’t broken up. It’s just a good layout, very usable, a very open plan.”

With the birth of their daughter, Emerson, four months ago, and their 18-month-old son, Max, the Beitzels have come to appreciate another area of the house as well.

“The place we bought is nice because we have kind of a guest suite in the basement,” Beitzel said.

The suite allows the Beitzels’ parents to come, stay for a while and visit with their grandchildren, while maintaining a level of privacy.

In addition to the big things, like layout, the home had many subtle touches that caught the Beitzels’ attention.

“The fact that he’s not just a builder but a Realtor as well . . . he knows what people are looking for,” Beitzel said. “Those things that maybe don’t cost so much, but as a buyer you notice right away . . . He went the extra mile and invested in good closets — you know, the smaller things.”

Tracy’s decorative choices also made it easier for the young family to see themselves in the house.

“It was just a place you walked into and it caught your eye. It was just decorated the way we would want,” he said.

Since purchasing the property, Beitzel has nothing but glowing reviews for the home and for Welsh.

“We absolutely love the house,” he said. “The experience we’ve had has been fantastic.”

Beitzel has even referred three friends to Welsh, and has also offered his home as a showroom for prospective buyers.

“His responsiveness is unbelievable,” he said. “I had a problem with the garage and he brought someone over the next morning.”



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IN THE BEGINNING

Born in Merrillville, IN, Welsh grew up with his parents and four older sisters.

“It was like having five moms,” he said. “We were all close in age.”

His mother “held down the fort,” while Welsh’s father worked hard to develop the family business of running convenience stores, truck plazas and restaurants.

“Growing up I worked for the company for all my summers,” Welsh said. “I worked a shovel and dug the trenches for gas lines, which established the groundwork for the new stores.”

He relished visiting the construction site of a new store, watching the building take shape over the course of a summer.

Eventually, Welsh was promoted to “sales associate,” which allowed him to work behind the counter at his father’s stores.

In their down time, Welsh’s family would pile into the station wagon and travel across the United States. In all, Welsh’s family has seen about 48 of the 50 states.

After high school, Welsh attended Loras College, Dubuque, IA, and majored in business. Later on, he enrolled in several executive programs at the University of Notre Dame and the University of North Carolina business schools.

When he graduated, Welsh’s father made it clear that he had a lot more learning to do before he could join the family business.

“It was a prerequisite that you have to get your experience somewhere else,” Welsh said.

After college, Welsh went on to work for Coca-Cola, which sometimes

required driving Coca-Cola transport trucks on downtown Chicago delivery routes.

“This was my crash lesson on learning the Chicago streets. Trying to locate Chicago hotels and restaurants as a first time driver on lower Wacker was no cake walk,” he said.

Welsh quickly entered more of the business end, managing the Chicagoland suburban district operations.

When Welsh had worked for Coca-Cola for five years, his father agreed that he was ready to join the family business.

Beginning in 1997, Welsh worked his way to becoming Vice President of Operations, overseeing about 90 convenience stores and restaurants.

While working for the family business, Welsh learned his father’s philosophies for being a successful businessman.

“Be honest, straight-forward with all your customers, treat them fairly,” Welsh said.

His father’s priorities were to run a business ethically, have a strong work regimen and make customer relations a priority.

By 2001, the family decided to sell the business. Welsh was put in charge of selling the company’s real estate holdings, and quickly realized it was something he had a knack for and enjoyed doing.

A NEW BEGINNING

Before Welsh had tied up the last ends of the family business, his sights were set on a new career. Using the experience he gained selling off the family business, Welsh began a career as a Prudential Preferred Properties real estate agent.



The transition from a successful family business to a completely new career had its difficult moments, but fortunately, Welsh’s father was there to offer advice and support when needed.

Just as his real estate career began to take off, Welsh rediscovered an old passion — building. As a boy, Welsh had always relished watching his father’s stores going up; now, as an adult, he wanted to create his own structures. With the inception of Welsh Development Company, Welsh was able to experience the gratification of building and selling his own properties.

For now, he prefers the simple rewards of single-family home construction.

“I think it’s appealing because you build one building and it’s one sale,” he said. “It’s more straight-forward and the investment is probably a little less, but the return is the same.”

Welsh prices his properties competitively, and refuses to play “hardball” when it comes time to make a sale. A successful deal is based on getting to know the client and establishing a relationship, he said.

When it comes to buying a property, Welsh keeps it simple, making only one counteroffer during the negotiation process, he said.

Welsh’s straight-forward approach to selling homes would not surprise mortgage banker Dan Gjeldum, Vice President of National City Mortgage Co.



Dan with his mother, Kay Welsh, taking in the New Year.

Gjeldum has represented Welsh on several personal financial transactions, and believes he is as responsible as they come financially and as a developer.

"He only builds a select few homes at a time," Gjeldum said. "For a developer you can get a little crazy and lose attention to detail if you have too many balls in the air."

One of Welsh's best qualities is listening to the advice of other professionals, especially when it comes to financing his projects.

"He's definitely more cautious in financial things," Gjeldum said. "Dan's not going to sacrifice his personal values, his family, to secure a deal. It adds to his appeal as a buyer because he's not going to over-extend himself," he said. "If he overextended himself, that could, in theory, result in a poorer product."



Dan accepting a Juvenile Diabetes Research Foundation award from Ron Santo.

Dan and his father, Bob Welsh, fly fishing in the rivers of Alaska.



The entire Welsh clan exploring the coves in Anguilla, BWI.

"Dan builds a quality product, absolutely stands behind his work and is not going to sacrifice his integrity ... for more money. A lot of people cut costs and that will kill you," Gjeldum said.

ON THE HORIZON

In his personal life, Welsh has remained faithful to the same things he loved growing up: traveling, fly fishing, hunting and, of course, his family.

Now a father himself, Welsh packs his own children in the car for family road trips. They enjoy traveling abroad and even visited Anguilla, British West Indies, earlier this year.

Welsh still joins his father several times per year for hunting and fishing in Georgia, South Dakota, Wyoming and Alaska's inland waterways.

But professionally, Welsh is looking for change in the form of growth and better penetration into the market.

"To grow at the rate I want to grow, I have my work cut out for me," Welsh said. "It would be nice to sell one home a month."

His goal is to double business every year, eventually selling mostly custom homes and expanding into the suburban Chicago market.

"It's grow or go, no status quo," he said.

Welsh possesses the integrity and professionalism to grow his business responsibly.

"He has a level of sophistication that many of my clients don't have," said John Lovstrand, an attorney who represents Welsh's real estate transactions.

It had been years since Lovstrand agreed to take on a new client, but he made an exception after meeting Welsh.

"I would, again, liken him to a couple of clients who are the exception to the rule," he said. "He strikes me as one of those guys who tries to exceed expectations."

Welsh understands many of the complicated legal aspects of property dealings, which is something that many developers shy away from. He also asks incisive, thoughtful questions, according to Lovstrand.

Welsh has a rapport with his clients that makes closing on a home feel more like a gathering of friends than a business transaction.

"The deals are so clean and so straight-forward," he said. "When you have a guy like Dan as your client, that makes things so much easier."

For additional information, contact Dan Welsh at DanWelsh@WelshDevelopment@comcast.net. ■