

## Former Boeing exec backs son's first development venture

By: Andrew Schroedter November 11, 2010

(Crain's) — At a time when even veteran builders are struggling, a 30-year-old manager at a suburban painting company is launching his first development: a \$3.5-million residential project in Lincoln Park.

But Justin Palmer has a key financial backer: his father, a former top executive with Boeing Co.

The 21,600-square-foot building would occupy a vacant, triangle-shaped lot at Lincoln and Kenmore avenues, a block south of Diversey Parkway. In addition to seven residential units, the project would include about 1,300-square-feet of first-floor retail space.

The five-story development, at 2661 N. Lincoln Ave., is scheduled to be completed in the first quarter of 2012.

There is likely to be learning curve for Mr. Palmer, a project manager at Pinnacle Decorating Inc., a Riverside-based commercial painting company who says he also has a background in construction management.

New developers never have it easy, but their challenges are even greater in a down economy, says Marc Lifshin, co-founder of Chicago-based LG Development Group, which is building an 11-unit residential project at 2750 N. Lakewood Ave., about a half-mile north of Mr. Palmer's site.

“If you have no experience, there's a lot of hurdles to climb,” he says. “It's got to be tough to be a first-time developer and get a loan.”

Mr. Palmer paid nearly \$1.285 million in February 2009 for the development site, financing the purchase with a loan of about \$1.1 million from trusts in the names of Gail and James F. Palmer, property records show.

The elder Mr. Palmer is a former senior executive at Chicago-based Boeing and now a vice-president and chief financial officer of Los Angeles-based aerospace and defense technology company Northrop Grumman Corp. He didn't return a message.

Justin Palmer declines to comment about the loan or disclose his age, which was obtained from public records.

The project still needs zoning approval from the city, says Robert M. Berg, president of Chicago-based Foster Design Build LLC, the project's general contractor.

But Mr. Palmer says he hopes to start construction this spring on the project, to be called Lincoln Park Plaza. He says he's close to obtaining a construction loan but declines to provide details.

Before the recession, several developments like the one Mr. Palmer proposes popped up along a roughly half-mile stretch of Lincoln Avenue, from Diversey Parkway to Wrightwood Avenue. But now many condos in those projects are back on the market.

Mr. Palmer says he won't try to compete with those sellers. He plans to rent out six of the units for at least five years, or until the housing market improves and he can sell them.

As for the 5,200-square-foot unit on the top floor, he says he plans to keep that one for himself, moving from a condo nearby.

What do you think?

Robert B. wrote:

Thank you to Crain's Business for posting this article online.

My name is Bob Berg and I am the owner of Foster Design Build, LLC (FDB), and the General Contractor/Construction manager for the 2661 N. Lincoln Avenue project. I believe that when this project is complete it will be one of the premier developments in Lincoln Park.

This is a fantastic project and we have been working hard every day to make sure this project is on schedule and under budget for my clients. We are also working on several "Green" designs for the building such as an "intensive green roof," solar panel system, tank-less hot water heater and other elements that we believe will make this project even more exciting when we are complete.

Lincoln Park and the City of Chicago should be very happy that the Palmer Family is involved with this project. These are good, decent people who care about the environment and their neighborhood. I personally feel very lucky that I am working for them and look forward to the day when they can move into their new home.

I am also very happy to announce that foster Design Build, LLC (FDB) has been selected to renovate the 10,000 square foot home in the Kenwood neighborhood of Chicago. This home is located right next door to President Obama. You can learn more about this project by going to the following links:

<http://www.nytimes.com/2010/11/02/us/politics/02renovation.html>

[http://articles.chicagotribune.com/2010-11-08/classified/sc-cons-1104-umberger-20101105\\_1\\_robert-berg-secret-service-security-labyrinth](http://articles.chicagotribune.com/2010-11-08/classified/sc-cons-1104-umberger-20101105_1_robert-berg-secret-service-security-labyrinth)

If you would like to learn more about either of these two projects, or about Foster Design Build, please visit our website at [www.fosterdesignbuild.com](http://www.fosterdesignbuild.com)

Press Kits are available through our PR Firm, Skirt PR, at 312.661.0700 and ask to speak with Katelyn Koepke.  
11/12/2010 12:30 PM CST on Chicago Real Estate Daily

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Robbie M. wrote:

Bob, Congrats on the new project!! The Palmers couldn't be in better hands. I have no doubt that the project will be delivered under budget and on time...as they always are when you are in charge!

11/12/2010 8:53 AM CST on Chicago Real Estate Daily

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SHERWIN K. wrote:

IT'S GOOD TO SEE GLIMMERS OF NEW DEVELOPMENT IN THE AREA---MIGHT ALSO MENTION THAT MR BERG THE GENERAL CONTRACTOR SUPERVISED BOTH A FLOOD DAMAGE REPAIR AS WELL AS A GUT REHAB OF MY MASTER BATH & TURNED OUT TO BE AN EXCEPTIONALLY CAPABLE & KNOWLEDGEABLE INDIVIDUAL.

<http://www.chicagorealestatedaily.com/article/20101111/CRED0701/101119978/former-boeing-exec-backs-sons-first-development-venture>

11/11/10