

CHICAGO HOMES

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BUILDER SNAPSHOT

For Stratagem, the difference is in the details

By Susan Diesenhouse
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Slow, steady company growth and unexpected design details mark the approach that Mitchell Newman, chief executive of Stratagem Home Builders strives for in the housing he develops.

Newman, now with a full-time staff of two, has since 1999 been developing around the city—buying sites, designing and managing the construction of low-rise condominium buildings. So far, he's completed 29 units in three-story walkups in Old Town, Bucktown and the North Kenwood neighborhood on the South Side, where at Lake Park Gateway II he has another 16 units under construction.

Those two-bedroom, two-bath and three-bedroom, two-bath units feature details not seen often, especially in his price range of about \$250,000 to \$370,000. Some surprise finishes include living and bedrooms wired for remote-controlled surround-sound systems.



Tribune photo by Candice C. Cusic

"We aim to deliver a BMW condo at an Oldsmobile price," says Mitchell Newman, chief executive of Stratagem Home Builders in Chicago.

The homes have built-in display nooks and bookcases, custom cherry wood

living-room fireplace mantels faced with mosaic tile as well as custom kitchen and

bathroom cabinetry. The master bedrooms have drop tray ceilings with crown

At a glance

Builder: Stratagem Home Builders LLC

Address: 1520 N. Sedgwick St., Chicago 60610

Major projects: Lake Park Gateway I, II, 1223-1249 E. 46 St., North Kenwood Oakland neighborhood

molding, recessed lighting and sliding glass doors that open to a private terrace.

"We aim to deliver a BMW condo at an Oldsmobile price," said Newman to describe his development philosophy.

He can make the numbers work by spending time to plan exteriors and interiors. "It doesn't cost more to do exquisite tile design," explained the developer, who also runs an interior design business, Habitar Design. "You just plan ahead."

It also helps his budget that he is always on the lookout for bargains and shops around the country for materials. "We get our tile for half price from suppliers in

Oregon and Texas," he explained.

Meanwhile in 2004 and 2007, he chose the South Side sites for Gateway I and II, which are near each other and about two blocks from Lake Michigan, in part because land costs were low and he won a city subsidy for part of the property. Also, "the area was beginning to take off," he recalled.

Gateway II marketing got under way in April and construction on the 16 units going up is scheduled for completion in August. But so far, Stratagem has sold only three condominiums in this phase.

With the neighborhood's for-sale housing inventory high, "in this slow market, it absolutely takes longer to sell," Newman said.

Also, he explained his units are geared for a particular buyer whose income and aspirations are on the rise.

"My units are a little more expensive," he said. "They're for people who want quality."

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