



Alter's images

Visionary real estate developer dies

By Maureen Wilkey

Colleagues and competitors use words like “dynamo,” “giant,” “gentleman” and “legend” to describe Bill Alter. The founder and former chairman and CEO of the Alter Group died on Friday, August 8 at his Winnetka home from complications from pneumonia and Alzheimer’s disease. He was 78.

“I think it was a little bittersweet,” says Richard Gatto, executive vice president of the Alter Group of the mood in the office on Friday. “There was a great feeling of loss, but for those of us who had watched things get worse for the last six months or so, there was a little understanding that his time had come.”

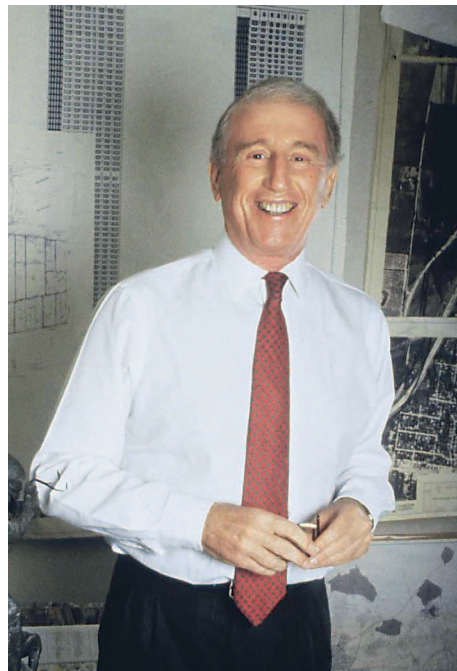
Alter’s son Michael, president of the Alter Group, praises the accomplishments of his father and his contributions to the real estate industry.

“My father left an extraordinary legacy that has as much to do with communities and people as real estate,” says Michael Alter in a release. “He was a pioneer and an incredible innovator.”

The path of progress

Alter came from a humble background and failed at a couple careers before real estate, says Alter Group spokesman Tom Silva. He tried working as a dress salesman and a stint at DePaul Law School before he went into real estate with a small investment from his parents. He used the money to buy a small piece of land on the Northwest side of Chicago, where he built and flipped a small house.

Alter then became one of the first brokers to market raw land to residential de-



velopers when he started in the business in 1955. He was known as the “sky broker” because he often used a twin-engine plane to scout land sites for development. He became a residential developer in 1959, and one of his most popular early projects was a Planned Unit Development called Kinston Green in Markham, which was marketed towards middle-income minority families. Olympian Jesse Owens became a spokesman for the community.

“It was very sophisticated at that time to market something for a green market like that,” Silva says. “It was very hard at the time for middle income minorities to come find employment and a place to live.”

But most members of the real estate industry remember him for his work in office and industrial build-to-suits. Recognizing

the niche for new business park space along Chicago’s suburban corridors, Alter used concepts he had taken from his residential developments, like curving streets and landscaping, to improve his business parks in DuPage County.

“Bill was one of the first to take land positions that were in the way of progress and wait on them and improve them,” says Jim McShane, founder and CEO of the McShane Cos. “He was one of the first people we did business with because he owned the positions where people wanted to be.”

Some of Alter’s iconic projects in DuPage include the \$35 million office and R&D campus for Bell Labs (now Lucent Technologies) in Naperville, Oak Creek Center, Yorkbrook Park and Woodlake Corporate Park in Lombard. The Alter Group pioneered the concept called Read Design, which allowed companies to develop a building to their specifications before it was built. This allowed financing firms to understand Alter’s vision and gave him the opportunity to get financing on build-to-suit projects, says Steve Park, senior vice president with the Alter Group.

“They would say ‘Oh, I understand what you’re doing, it’s like a business park,’” Park says. “And whatever Bill said he would do, he did. His handshake was always something that he lived up to.”

Alter was not a merchant builder, providing construction services through Alter Construction Group and property management through Alter Asset Management.

“So much is managed by institutional owners now, but that’s not how Bill did things,” says Marilyn Lissner, executive director with Cushman & Wakefield. “People Bill’s age used to hold on to properties. He

epitomized everything I thought a developer should be.”

Throughout the years, the Alter Group grew and expanded, spinning off with Alter+Care, a healthcare division, and taking on projects in nearly all property types, from downtown office to hotels to student housing. The company also expanded nationwide, with growing presences in the Phoenix and Atlanta areas.

People and communities

But many real estate professionals remember Bill Alter for the assets he held that had nothing to do with real estate.

“He always looked out for the brokers; it wasn’t just about him,” says Len Caldeira, managing principal with Jones Lang LaSalle. Caldeira remembers the first deal he did with Alter in the early 1980s. He was purchasing a piece of land along Warrenville Road in Naperville for the Illinois Hospital Association. Alter had optioned the 22 acres.

“I had my commission check on the desk in my office before I even knew the deal had closed,” Caldeira says. “He didn’t forget the broker, or any of the other people that helped him make the money.”

Many professionals have seen Alter as a mentor throughout their years in the industry. Lissner remembers leasing an office building for Alter in Mount Prospect as one of her first assignments with partner Susan Rosen, with whom she still works today.

“As tough as he was, he was always fair and very respectful,” Lissner remembers. “It was one of our first assignments and we were worried that we might be treated differently because we were women, but he always respected us and was just as open to working with us.”

Rosen remembers how she and Lissner used to join Alter for lunch, prepared by his hired chef. After years of free lunches, Rosen and Lissner decided to bring Alter lunch at the office, setting up a card table on the front lawn and bringing in takeout from a restaurant.

“We decided we didn’t want to mooch off of him anymore,” Rosen laughs. “He was so formidable, but he could also be a lot of fun.”

Lissner says she loved Alter’s summer parties and enjoyed the wry smile and constant thinking and planning he always seemed to be doing.

Fellow Cushman & Wakefield Broker Jeff Samaras also got one of his first leasing as-



Bill Alter (center) plans Kingston Green, a single-family home development in Markham, IL. With Olympian Jesse Owens as his national spokesman, Bill marketed Kingston Green to first-time minority buyers.

signments from Alter. The 20 West Kinzie building in River North was one of Alter’s first forays into speculative office developments and Samaras says he was happy to have the business from Alter.

“He had this tremendous drive and fortitude, you could really understand why he was successful,” Samaras says. “He was the kind of guy that every time you came out of a meeting with him you felt like you had learned something from him.”

Long-term planning and how to segment the marketplace to figure out who exactly would want to lease in your building are a few of the lessons Samaras felt he learned from Alter.

Silva says he learned a lot about perspective from long discussions in Alter’s office.

“His approach was always very practical; when there was a problem, he always wanted to look for a way to solve it,” Silva says. “He could see the potential in different areas or property types.”

Park says he knew Alter from a previous job working for the Village of Mount Prospect. He remained friends with Alter after he finished a project in the village and was later hired on at the Alter Group. He agrees that Alter’s insight helped him earn a lot of good business.

“He could anticipate where development would go in 10 or 20 years,” Park says. “I think he will also be remembered for his extreme interest in people.”

The Legend of Bill Alter

To some, Alter’s departure represents the loss of one of the last great entrepreneurs of the Chicago real estate industry.

“Bill transcended a couple of generations and became a legend (who) continued on even as he left the industry,” McShane says. “He was an absolute true gentleman and wasn’t the kind of guy who stuck it to his competition.”

McShane says that the Chicago commercial real estate industry really took off after World War II when a small community of entrepreneurs realized there was more money in the commercial side than the residential side. McShane says with the death of Allan Hamilton last year and Alter in August; the community is starting to see a shift back from the giant entrepreneurs of the past half-century.

But Gatto says the Alter Group should continue to thrive under the leadership of Alter’s son, Michael Alter, who has gradually taken over the company for the last six to seven years.

“It was always really exciting to work with Bill because there was a fast pace and consistent deal-making,” Gatto says. “He was really a dynamo and able to motivate people just through his own sheer will. The fact that it was so easy to transfer control is really a testament to Bill. It wasn’t an easy decision, but he knew it was the right thing to do and we still feel his presence here through Michael.”