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JOURNAL PROFILE

■ CLOSE UP

DANIEL BRUCE KARCHEM

President,
Karchem Properties

■ **Age:** 48

■ **Family:** Wife Francine Raizes, 49; sons A.C., 16, and Reuben, 14

■ **Residence:** A stone English Tudor cottage in Chevy Chase, built in 1927

■ **Education:** Bachelor's in architecture, Catholic University of America, 1977

■ **Hobbies:** Reading best sellers, cooking, eating, and drinking Italian red wines and single malt scotch

■ **First job:** Sorting glass bottles for penny candy in his grandfather's corner grocery in Northeast D.C.

■ **Favorite D.C. office building:** "I am emotionally attached to every cubic inch of the Gallup Building ..., which was developed by Karchem Properties, so I'm not exactly objective."

■ **Favorite junk food:** Corn Nuts

■ **On working with your spouse:** "It is wonderful in that you don't have any concerns about trust. I don't have to be concerned about what is the balance in Karchem Properties' account, and it allows me to focus on my clients and projects. It is a problem for me in knowing when to leave it at the office. Also, it is difficult for people to talk to me about any problems that they may have with Francine and vice versa."



JOANNE S. LAWTON / STAFF

Can a nice guy finish first?

One of region's last independent developers,
Daniel Karchem navigates his own way to finish line

BY SUZANNE WHITE, STAFF REPORTER

Atall, bespectacled Daniel Karchem enters the room like he's expecting to be kicked out.

"I'm nervous," he says, closing a conference room door behind him. His eyes drop to the floor, his shoulders hunch and he tugs at his tie as if to create more room to breathe.

The developer — standing in the mod offices he created, in the Gallup Building, which he restored, surrounded by awards that he has won — is quite shy. But Karchem's complicated and complex body of work nearly bleeds machismo. Karchem's reputation has the punch of a multinational firm but in fact he's one of few truly local developers in D.C.

His 12-year-old, eight-employee company has a portfolio packed with coveted clientele and wildly heralded projects. Consider:

■ The 130-year-old Masonic Temple renovation

and office addition in 2000 created the Gallup Building at Ninth and F Streets NW. The complex development blends modern with historic infrastructure so well even the Europeans are impressed.

■ Then Karchem dug his heels into another fussy project: St. Matthew's Court, at 1717 Rhode Island Ave. NW. Karchem's work turned a string of abandoned, early 1900s rowhouses adjacent to St. Matthew's Cathedral into office space with three levels of below-ground parking.

■ And earlier this year, Karchem was named project manager for the House of Sweden, the Swedish Embassy's new headquarters to be built on the Potomac in Georgetown. The mostly vacant site will include a secured embassy, a conference center and luxury residential units.

"I have always been fascinated with building and wanting to create stuff," Karchem says. "When I

was a little kid, I used to play in the woods, run through the creeks and build little treehouses."

Humility stops Karchem from revealing what his wife dutifully points out: His treehouse once reached four stories tall.

ENTREPRENEURIAL HERITAGE

But going from building forts in Prince George's County to building landmarks in D.C. took more than just a strong will to "create stuff."

Unlike many of the region's commercial real estate pros, there was no silver spoon in Karchem's childhood. There were no connections made by previous generations.

His mother was 18 when she immigrated with her parents from Argentina in 1949 and they quickly became entrepreneurs: His maternal grandparents bought a District Grocery Store at Seventh Street and Florida Avenue and lived in an apartment above the grocery.

His paternal grandparents owned a dry cleaning and tailoring shop near Calvert Street in Adams Morgan.

Karchem's mom was a waitress and eventually owned a carry-out restaurant. Karchem's father, originally from Baltimore, was a butcher at a Giant grocery and various delis.

Despite his retail heritage, Karchem knew he wanted to be an architect by the time he graduated from high school. But he had no idea what that meant. Moreover, his parents had separated, his mother worked hard jobs with long hours, and higher education seemed to cost an inconceivable sum.

Then he met Francine Raizes.

They shared different lots in life. She came from a wealthy Texas family — college-bound, fully liberated and headstrong.

But it was love at first sight when they met in Israel, where they were spending a year after high school as part of a Zionist youth program.

"Our first walk on the beach he said, 'I want to be an architect,'" says Raizes, now Karchem's wife of 24 years. "He was on fire."

MEETING HIS MATCH

Raizes and Karchem aren't the average professional couple with two kids, a house in the suburbs and matching luxury cars. (Although they do have two sons and a house in Chevy Chase.) Their commitment to each other appears to go much deeper than the average blissfully wed. Together they form this ring, an unbreakable partnership, which has been in place almost from the moment they met.

She wrote essays for his college applications. He inspired her to work harder.

He was a creative force with no time for a balanced checkbook. So after they were engaged, she closed his checking account, telling him:

"I'm telling you, that kind of guy is very hard to find . . . A lot of guys in that business start thinking they put their pants on differently, but not Daniel."

FERN BARRUETA
President,
Hispanic College Fund

■ WE WERE WONDERING ...

■ WHO ARE YOUR HEROES?

I have three heroes. My sister, Nadine, has brain cancer, after having her lung removed just a year ago. Nadine is my hero because she gets up every day and is grateful for the life she has had with her family and friends in Denver.

My late friend, Lou Kabran, is one of my heroes. I met Lou when I became best friends with his son, Ron. Lou treated me like a son and bought me my first suit to wear to Ron's wedding. Lou tried to make everyone smile even when he was in the hospital dying of leukemia.

My father-in-law, Harold Raizes, is my hero for being an honorable man. Dad is representative of the many decent people who show up

"Give me whatever money you make and I'll sort things out," she says. "He hasn't seen the checkbook since."

Karchem was laid off from his first architectural job two days before he and Raizes were married. He lost another job several years later when London & Leeds essentially shut down offices throughout the United States. And it wasn't until Raizes left her six-figures career at Arthur Andersen and joined Karchem Properties in 1993 — she already owned 50 percent of the business — that Karchem made a profit.

"When I joined the business he hadn't made a nickel," she says. "The first six weeks, I collected \$85,000. I just knew as hard as he was working and as bright as he was, he had to be successful."

DOLING OUT CREDIT

Raizes' belief in Karchem and Karchem's belief in himself are worlds apart. It's almost painful for him to take credit for a job well done. A seemingly endless string of names stream from his lips as he notes those who've helped him along through the years: Gerry Sigal at Sigal Construction; Larry Nuffdorf at Clark Enterprises; John Bellingham at Monarc Construction; Ed Small at J.A. Jones/Tompkins; John Kaylor at Boston Properties; and Douglas Rixey at RixeyRixey Architects. His list goes on.

Fern Barrueta, who founded his own brokerage in 1986 and now is president of the Hispanic College Fund, says Karchem is a rare find. He's smart enough to know every angle of the business and so honest that he'd rather be fired than let his clients make a mistake in their project.

every day and do a good job and the right thing because they care.

■ HOW DID YOU LEARN TO COOK?

My mother and grandmother, who always worked, raised me, so I needed to learn how to take care of myself. I watched my mother and my grandmother cook and started cooking dinner when I got home from school.

■ WHAT'S YOUR FAVORITE DISH TO COOK?

For a serious meal, I need to grill outside. My favorite dish is Delmonico steaks marinated in soy sauce, fresh ginger and garlic, dark sesame oil and lemon juice. I roast peppers and sweet onions and eat it with a thin slice of Parmesan, a tiny piece of anchovy and a drizzle of olive oil.

Barrueta offered Karchem consulting work after Karchem was fired from London & Leeds.

"I'm telling you, that kind of guy is very hard to find ..." Barrueta says. "A lot of guys in that business start thinking they put their pants on differently, but not Daniel."

Karchem was known as the on-budget, on-time guy when Craig Lussi, senior managing director at Julien J. Studley Inc., first heard of him. But after meeting him in 1996, Lussi discovered Karchem has such a deeper character.

So when it was time for Lussi to hire a manager for the Swedes' lease in Georgetown, he didn't consider anyone but Karchem.

"Daniel cares about design and the integrity of what he has built," Lussi says. "There are a lot of builders that build a great product. Daniel builds a museum-quality product."

Regardless of his talent and successful track record, Karchem was shocked no one else was considered for the embassy project.

"Much to his credit as a person, you wouldn't know that Daniel is good at anything," Lussi says. "He's a little shy."

Karchem admits as much. But he's doing it his way.

"Our mission is to show the world that nice guys don't finish last," Raizes says. "You can maintain your integrity and your business practices could be honorable without exception ... and still deliver a jewel box."

"All the excuses people make for not doing the right thing is a demonstration of them not having the talent or desire to figure it out."

■ E-MAIL: SLWHITE@BIZJOURNALS.COM PHONE: 703/816-0331