

REAL ESTATE MARKETPLACE

Residential Sales Hot in Downtown Market

It isn't hard to see that condominium sales are booming in all price ranges. Every corner you turn, banners are nailed to buildings announcing loft conversions and premier renovated space. Life is good for developers, finally. The south Loop is hot, west Loop is warming up and River North is gearing up for another explosion along the Orleans corridor from Chicago Ave. to Division St. The city is enjoying a boon due in no small part to the notoriety it received in the media over the last several years. The commercial market has tightened considerably and concessions are no longer being handed out like bagels and coffee at a holiday building party. All of this adds up to a healthy real estate market for commercial and residential developers.

Class C buildings are being retrofitted as condominiums for the growing number of young professionals and empty-nesters preferring city life to the suburbs. The Florsheim Building at Canal and Adams, when conversion from office and manufacturing to residential living space is complete, will contain 211 lofts and finished condominiums ranging in price from \$150,000 to \$350,000. According to the developer of the project, Norman Katz and Everest Partners, 4 floors will be added to the top of the building with 29 penthouses perched on the top.

Development of Navy Pier, however successful it may currently be perceived, the continuing evolution of Michigan Ave., the reconfiguration of Lake Shore Drive, the opening of State St., and the continual migration of foreign companies to the area, all contribute to a vibrant, active lifestyle for people wanting an urban environment. With this prosperity, and the reluctance of single professionals and young marrieds to move to the suburbs before they have to, condominium sales are booming.

"Transformation of Cabrini-Green into a thriving mixed-income neigh-

borhood will have a dramatic, uplifting effect on housing values along the Orleans Corridor on the western edge of River North," according to B.J. Spathies, president of Bejco Development Corp. The Orleans Corridor is being compared to the Halsted Street area in the late 1970s. "After urban renewal ended, Halsted went through a decade-long rebuilding period, and today it is a fine restaurant and theater district," Spathies said. This will only bring additional luxury townhomes to an area already anchored by Tuxedo Park, a 56-unit complex situated on a square city block, bounded by Orleans, Huron, Sedgwick and Superior streets.

Phase I of Tuxedo Park on Orleans, River North's first major townhome development, is nearly half sold. "The first buyers are a diverse group of professionals — both urban singles and married couples, including empty-nester families coming back to the city," said developer B.J. Spathies. Base prices range from \$259,900 to \$599,900, with 1,870 to 3,400 square feet. Included in the development will be four single-level, 2-bedroom, 2-bath townhomes with 1,700 square feet. Prices for these residences range from \$259,900 to \$299,900.

From South Michigan Avenue to Wicker Park to Clinton Street to River North, condominiums are selling, in some cases, before there is even a model to visit. That was certainly the case at Clinton St. Lofts, 216 N. Clinton, in the emerging Fulton Street district in the River West neighborhood. The 6-story building, located at the corner of Clinton and Fulton, two blocks east of China Club Lofts, consists of 1- and 2-bedroom loft condominiums in three buildings covering approximately 200,000 square feet. Several 1-bedroom units with traditional closed bedrooms, but also volume ceilings and timber beams, will be featured. "The feeling is that of a

'mature' loft," said Michael Lerner, the developer, MCZ Development Corp. Preconstruction prices range from \$79,800 for the single bedroom to \$319,800 for 2-bedroom and 2-bedroom with den units with one or two baths. Square footage ranges from 650 to 1,800.

Location is driving the popularity of these lofts. "With instant access to the Loop, the Merchandise Mart, the East Bank Club and River North, it is both an exciting and convenient place to live," Lerner said. The Kennedy Expressway is just a few blocks west and the new Lake Street "el" stop is steps from the front door.

Recent buyer profiles in this development include: an upper management couple in their mid-40's; a middle management single male in his early 30's buying for the first time; two male professionals in their late 30's and early 40's buying larger units; an attorney and his wife, who works in the interior design field; a married couple with a teenage daughter attending Latin School; and a single commodities trader with an active social life. "The profile of the first buyers shows that the location is excellent for dual-income couples who work both in the city and suburbs," said Garry Benson, president of Garrison Partners, who completed the survey of buyers at Tuxedo Park.

A little further north of the Loop, in Lakeview, construction is underway at Larchmont Town Homes, phase two of a luxury residential development at 1800 W. Byron. "The location is perfect for people who work in the city or in the suburbs," says Lerner, of MCZ Development. "It is conveniently located near all types of transportation so buyers won't need an automobile, but 2-car attached garages are standard," Lerner added. Base prices range from \$249,800 to \$269,800. Phase I sold out in less than six months and they cost from \$95,000 to \$225,000 with 700 to