

ROGERS PARK BUILDER

WINTER/SPRING '04

www.rpbg.org

Local Real Estate Trends Discussed in RPBG Workshop

What will the real estate market for Rogers Park look like in 2006? That was the question that drew a record-breaking 57 to the January board meeting of the Rogers Park Builders Group for a program entitled: "First Ever Workshop on Rogers Park Real Estate Trends."

President Mike Glasser had the participants assigned to one of six tables, each table presided over by a senior banking official of an RPBG member bank. Participants in turn were asked to discuss six questions, each relating to some specific phase, most pertaining to the real estate market in Rogers Park. The first question gauged people's feelings about the national economy, asking what the Dow Jones stock index would close at in 2006.



Part of the record-breaking 57 drawn to the January board meeting of the RPBG to discuss what the real estate market in Rogers Park will look like during the next two years.

Other questions asked what the rate for a loan for a multi-family property would be, how much a newly renovated condominium near the lake would sell for per square foot in 2006, the average length of time it would take to market a single family residence in Rogers Park in 2006, the price per apartment to purchase a 20-unit building in Rogers Park in 2006, and the rental for an average one-bedroom apartment along Sheridan Road in east Rogers Park in 2006.

At the end of the discussion, each group facilitator was called up to present a summary of the answers to the questions based on the consensus expressed by the group at his table.

The answers on the whole were optimistic showing that the rates for the various aspects of the real estate equation would rise during the next two years, but not as quickly as in the past.

Specifically the discussants felt that the Dow Jones stock index would rise somewhat from the current 10,600 to 12,000. Answers ranged from 11,500 to 12,500. As to the loan rate, for a multi-family property for a five-year fixed rate on a million dollar loan at 5.5 percent, answers ranged from 6 percent to 7.5 percent.

As to the price a newly-renovated condominium near the lake would sell for per square foot, the answers were fairly comparable ranging from \$195 per square foot to \$234 per square foot.

The question evoking the widest range of opinion was that dealing with the length of time it would take to market a single family residence in Rogers Park in 2006. Here the answers ranged from 60 days to 90 days, with 74 days the average length of time to market as compared with the marketing time of 67 days in 2002.

(continued on page 4)

RPBG Backs Proposed Devon-Sheridan TIF

At a recent Executive Committee meeting the Rogers Park Builders Group went on record as supporting the proposed Devon-Sheridan Tax Increment Financing (TIF) district for Rogers Park and Edgewater.

In a letter sent on behalf of the RPBG to the Deputy Commissioner of Planning and Development, Tom Heineman, who serves as the Builders Group Liaison to Loyola University and as a member of the Lakeshore Campus Loyola Advisory Committee, wrote that the underdeveloped areas within the TIF would "benefit immensely from a TIF." Tom also testified on behalf of the RPBG before the City Planning and Development Committee at a public hearing on the matter.

"A TIF will provide much needed commercial and residential development that will benefit residents, existing businesses, and the students of Loyola University..." he wrote. "Like other residents of Rogers Park," he continued, "Loyola students often leave the neighborhood for their shopping and entertainment needs."

Heineman further noted that the proposed TIF was well within the Builders Group mission "to encourage and support responsible residential and commercial property investment, development and ownership in Rogers Park."

The full text of Heineman's letter can be found on the Internet at RPBG.org. Largely on the basis of the support of the Builders Group and other community organizations, it has been learned that the Planning Commission has voted unanimously in favor of the TIF.

Heineman explained that a TIF is a financing device to encourage commercial developments in a given area. The boundaries of the TIF are roughly Devon from the Lake to Clark Street and Sheridan from Devon to Pratt.



Lake Shore Healthcare Plans \$1.5 Million Renovation of Sheridan Road Facility

Long-time RPBG member, Lake Shore Healthcare reports that it is starting a \$1.5 million renovation of the first-floor of their four-story facility at 7200 N. Sheridan Road early this year and they are committed to using local contractors and designers

According to Cheryl Morris, vice president of operations of the Lancaster Group, which operates Lake Shore and six other nursing



At the monthly meeting of the Biz Arts Group, those who attended heard Cheryl Morris, vice president of operations of the Lancaster Group, which operates six nursing homes in the Chicago area, describe the \$1.5 million renovation Lake Shore Healthcare plans to initiate this year.

facilities in the Chicago area, the remodeling is part of their overall plan of operation and will be focused on providing a more home-like environment for residents.

Lake Shore Healthcare has built a reputation for its commitment to providing topnotch care to its clients, as well as its commitment to employees, most of them long term, and to the community. On January 14th,

Lake Shore hosted a networking breakfast for local businesses where they spelled out preference to use Rogers Park contractors and designers as it progresses with the renovation. According to Judy Lewis, Lake Shore Healthcare's assistant administrator/community relations, Lake Shore is looking forward to working with the Rogers Park business and arts community on this project.

Local contractors interested in learning more about the development should contact Ms. Lewis at (773)973-7200.

Morseland Now Fully Licensed Supper Club – Open for Business!

The Morseland, owned by RPBG directors, Gregory Altman and Matthew Bowker, has succeeded in obtaining a liquor license with the support of its neighbors and the community, and is now open for business.



The restaurant/supper club, located at 1218 W. Morse, serves a delectable lineup of homemade soups, fresh seafood, and a selection of grill items such as cinnamon grilled pork chops and Angus rib eye steak.

According to owner Bowker, the Morseland is a true supper club, combining dining and music and features live jazz every Sunday night. On other nights some of the city's best DJs present an eclectic lineup of dining music.

The completely renovated space, in the heart of Rogers Park, replaces a former nightclub. The terra cotta building, named 'Morseland' when it opened in 1928, originally housed a Piggly Wiggly, the Purity Pastry Shop and the North Branch of the Sherwood School of Music. It has also been home to a wholesale supplier, an antique dealer and a Chinese restaurant.

Member Builds Firm Foundation as a Broker

Dan Dooley has been developing his real estate business for nearly two years, but he has been interested in new developments in Rogers Park for much longer than that. That is why he joined the Rogers Park Builders Group four years ago, largely through the considerable persuasive powers of Carla Price.

Owner of a two-flat at 1515 Touhy, Dooley was fascinated to learn about all that was happening in Rogers Park and realized that real estate might be a great business to be in. Indeed, so it has worked out for him since he joined the staff of Baird & Warner, working out of their Evanston office. In addition, Dan is chairman of web development for the RPBG, since he says the Internet allows many brokers to have a "technology available to provide vital information to buyers and sellers alike." Through the Internet, he continues, many prospective home buyers can immediately gain access to data showing room plans, photos of buildings, and specific locations that interest them.

Prior to taking the plunge into real estate sales, Dan worked for 15 years for United Learning of Evanston, where he sold educational media-based curriculum materials to school districts. Even earlier he was employed by a Chicago Filmmaker after receiving his bachelor's degree in Communication Arts at the University of Wisconsin at Madison.

Dan is also active in the 49th Ward Beaches and Parks Advisory Committee, which he described as a local watchdog for parks and beaches. Dan's eyes light up when he noted that the Committee is currently drafting a vision statement outlining what they see as a blueprint for maintaining and improving the parks and beaches. One important factor which they note in improving local beaches, for example, is sifting sand on the beaches, which will result in beaches which feel as though "you are walking on a cushion," as Dan puts it.



A native Rogers Parker, Dan lived at 1516 Estes, most of his life, near his present home on Touhy. He is pleased with the continued development of condos in Rogers Park, since, as he puts it, this adds to the stability of the community. "We are just starting to see the development of commercial areas, such as the Gateway Center," he notes.

If that were not enough, Dan tutors a second grader at Gale Academy in reading and math. For all of these reasons, Dan is our RPBG Neighbor of the Month.

Mak Browne Looks Forward to Marketing Its Latest Rogers Offerings. . .

THE ALBION CONDOMINIUM 1325-1327 N. Albion

The Albion Condominium – six sophisticated units in a stunning yellow brick center-entrance 1920's building. Four 1,800 sq. ft. simplex three-bedroom/two-bath and two duplex units, 2,200 – 2,400 sq. ft. Two units are pre-sold.

THE LAKEWOOD CONDOMINIUM 6827-6829 N. Lakewood

The Lakewood Condominium, a stately 1920's building with nine luxury simplex and duplex homes. Prices start at \$179,000 for extra-large one bedroom/one bath (over 1,000 sq. ft) to \$289,000 for three-bedroom three-bath duplex units. Three units remain, \$189,000-\$199,000.

THE SEELEY OF EAST RIDGE CONDOMINIUMS 7400-7406 N. Seeley

The Seeley of East Ridge Condominium – 23 units in a variety of layouts in a yellow brick 1920's building. Prices start at \$119,900 for a two-bedroom/one-bath garden units to \$214,900 for a two bedroom/two bath unit. Eight units remain.

Mak Browne Reports the Following Properties are Sold Out . . .

FARGO COURT CONDOMINIUM 1530-1536 W. Fargo

Fargo Court Condominium – 26 one and two-bedroom units in a majestic, turn of the century courtyard building sold out in sixteen months.

THE ALBION OF CHICAGO 1325-1327 W. Albion

The Albion Chicago – seven luxury two-bedroom/two bath simplex and duplex units in a yellow brick center-entrance six-flat sold out in record time. Prices started at \$305,000 for a two-bedroom/two-bath unit to \$335,000 for a three-bedroom/two-bath unit.

Connie Abels Reports . . .

RE/MAX NORTH COAST

RE/MAX North Coast has begun marketing two conversion properties, featuring affordable vintage condos located at Jonquil and Greenview and Farwell and Greenview. One, two, and three-bedroom condos start at \$139,000 to \$199,000 with new maple cabinetry, stainless appliances, granite countertops, marble bath, hardwood floors and more. Abels anticipates quick sale of the units, under the \$200,000 price range.

Abels further reports that she will be marketing a 43-unit vintage condo conversion at Estes and Sheridan with one and two-bedroom units. The units, which she describes as affordable, feature exposed brick, maple cabinetry, hardwood floors, central hvac/ac, stainless appliances, granite countertops and more.

And in late January she began marketing a new 20-unit project, all two-bedrooms, most with two baths, located at 1813-1819 W. Touhy. These affordable units, she reports, have been gut rehabbed with maple cabinetry, stainless appliances, granite, marble baths, hardwood floors and more. Parking is available for an additional \$12,000.

COLDWELL BANKER Diamond in the Rough

Bid another blighted Rogers Park building goodbye. Matt Wilbur, of Macon Construction Group, will convert the stately yellow brick building at 7621 N. Greenview into 23 condominium homes. The unit mix consists of 9 one-bedrooms and 14 two-bedrooms, one to two baths. Units are fully rehabbed with quality finishes and contemporary floor plans. Standard features include individual HVAC, stainless steel appliance package, granite tops, and new hardwood flooring. The second and third-floor units feature ironwork and private balconies overlooking landscaped courtyard. One bedrooms start at \$140,000. The two-bedroom units range from \$165,000 to \$195,000. The 1,200 sq. ft. garden units range from \$180,000 to \$190,000. Early summer delivery is anticipated. Contact Sharon Kozak at Coldwell Banker, (847)316-8044 for floor plans and information.

Three Builders Group Members Take RPCC's Top Awards

Three stalwarts of the Rogers Park Builders Group have taken top awards of the Rogers Park Community Council. They are Al Goldberg, "Citizen of the Year," (RPCC's top award) and Marty Max, RPBG vice president, and Connie Abels, RE/MAX North Coast Realty, who won the Business of the Year Award.

In naming Goldberg, vice president and a broker at Hallmark & Johnson Properties, "Citizen of the Year," the Council cited "his tireless efforts to promote our artistic community." The citation noted Goldberg's brilliant work in transforming a building at Glenwood and Morse with "boarded store fronts, home to squatters, drug dealing and pit bull fights" into the beautiful 11,500 square-foot Art Space building. Among others the building has eight ground-level stores with three live/work spaces and six upstairs work studios.

Goldberg was also cited for founding the Glenwood Avenue Arts Festival and for his efforts in rehabilitating the now defunct Beth Sholom Synagogue, Rogers Park's last Jewish temple. Goldberg and a group of dedicated volunteers are working hard to maintain a place of worship for Jewish residents of the community.

In addition to being named this year's "Citizen of the Year,"

Goldberg won a "Spirit of Rogers Park Award" from the RPCC in 2001, and the "Façade of the Year Award" from DevCorp North, as well as the "Good Neighbor Award" from the Chicago Association of Realtors.

The Council cited Max, partner of MLC Properties, who manages 150 rental apartments in Rogers Park, for his outstanding dedication in converting a leaky, basement area at St. Paul's Church By the Lake, into a bright, modern computer learning center. While specifically aimed at meeting the career needs of several "Lost Boys of Sudan," a group of young men forced from their homes because of ongoing religious strife, the center is open to other young people in need who wish to acquire computer skills.

Connie Abels, owner of RE/MAX North Coast Realty, was cited as "one of Rogers Park's greatest cheerleaders." On October 4th Abels celebrated, with the rest of her staff, the opening of new offices at 1225 W. Morse. The opening was timed to coincide with the Glenwood Avenue Arts Festival and the introduction of the new Morseland restaurant across the street (see story on page 2). RE/MAX North Coast's new offices provide a home to sixteen sales agents and brokers, and creates a solid anchor for the east portion of Morse Avenue.

("Trends" continued from cover)

Discussants varied widely in their answers to the question on average price per apartment on a purchase of a twenty-unit building selling for \$40,000 per apartment unit in 2001. Here the answers ranged from \$74,000 to \$90,000 per apartment.

There was fairly close unanimity as to what a one-bedroom apartment on Sheridan Road renting for \$900 in 2002 would rent for in 2006. Answers ranged from \$895 (slightly lower than what the apartment had rented for in 2002), to \$925 per apartment. Here the average apartment rental seen for 2006 was \$917.

Moderators were: John Pritscher, President, Community Investment Corporation, (CIC); Thomas F. FitzGibbon, President, MB Financial Development; William Chioros, Vice President of Commercial Lending, Devon Bank; Robert J. O'Shaughnessy, Executive Vice President, Bank Financial; Robert Palmer, Chairman of the Board, Central Federal Savings & Loan, and Adam Klingher, Senior Vice President, Washington Mutual. George Cyrus, President of Cyrus Development, moderated the panel discussion that followed.

The meeting ended with Glasser inviting the group facilitators to return in two years to see whose projections were most accurate and to make new projections for 2008.

A Summary of the Answers for Each Question Follows:

Group Facilitator	Dow	Mort. Rate	Condo Price (sq/ft)	List Time (days)	Apt. Per Unit Cost	1 BR Rent
FitzGibbon	11500	6.000%	\$234	60	\$90,000	\$925
Pritscher	12300	6.880%	\$195	75	\$77,000	\$925
Chioros	12500	7.250%	\$205	79	\$80,000	\$895
O'Shaughnessy	11850	6.380%	\$211	60	\$74,000	\$925
Palmer	12000	7.000%	\$209	80	\$80,000	\$930
Klingher	11500	7.500%	\$200	90	\$75,000	\$900
Average	11942	6.835%	\$209	74	\$79,333	\$917

2004 Security Deposit Interest Rate

RPBG director, Paul Abraham, advises that interest rates on apartment rental security deposit accounts in Chicago for 2004 are now .42 percent. Our thanks to Paul for this information.

To Receive Copies of the Revised Rogers Park Brochure

If you would like to receive a complimentary copy of the newly revised in 2003, Rogers Park brochure, contact Mary Jane Sacks, administrative director, at 1708 W. Jarvis, Chicago, IL 60626. Phone (773)743-7433 or e-mail her at tjsacks@aol.com.

PRESIDENT'S MESSAGE

As I See It . . .

by Mike Glasser
President, Rogers Park Builders Group



Presidential Prerogative

I am not sure how he found us, but around three years ago a nice, elderly gentleman showed up at one of our monthly meetings. "Hello" he must have said when he introduced himself. "My name is Sidney Rockin." During that initial conversation I learned a little bit about him. He was a long-term Rogers Park resident and former Morse Avenue shopkeeper, one of the "old guard" types who, unlike many of his compatriots who inhabited the blocks surrounding Morse Avenue, never left the neighborhood.

Seeing the keen interest he had in the business at hand, I extended to him an open invitation to future meetings. At the second meeting he pulled out his checkbook and insisted that Mary Jane, our administrative person, despite her objection, accept \$50 in payment for his meals. "I am not a freeloader!" he said. (Being head of an organization full of landlords, bankers and developers, I had little trouble resolving the deadlock – I took the money.)

Over the past few years, Sidney was a regular attendee at our monthly meetings, always sitting in the same seat, exercising solid judgment about what to say at meetings, and when to say it. Always eager and curious to hear what our group of real estate types had to say about the direction of the neighborhood, Sidney also offered us valuable perspective about issues pertaining to Morse Avenue, especially safety related issues.

On a few occasions – less so in recent years – members would come up to me asking me why we let him come to our meetings. I would always respond by claiming "Presidential Prerogative" – that though Sidney was not a member, he seemed to enjoy the meetings so much, but I also sensed that his involvement offered each of us a better insight into what was and is the Rogers Park community, and what it should become.

Last week, I learned that Sidney had passed away, at age 88. Having attended his visitation, and reading the *Sun Times* featured obituary, I learned that Sidney was a Rogers Park treasure. From the late 1940s through the early '80s, Sidney owned one of the classic restaurants on Morse Avenue, called Rocky's. Sidney, with the assistance of his lovely wife (of 60 years!), Anne, catered to ethnic communities surrounding Morse Avenue. But Sidney became a local legend for reasons extending beyond his restaurant. He lived here, raised his family here, and he was a community staple – especially on his block on Greenview where he held court on the front porch of his vintage home. Even through the last year of his life, Sidney contributed boxes of school supplies to Field School, down the street from his home. The visitation was attended by former neighbors and new residents, all of whom were touched by this special man.

The RPBG frequently invites guests to our meetings, many of whom do not own real estate or have a direct interest in Rogers Park real estate. Our benefits to having guests are obvious: the guests receive the benefit of learning our perspective of what's going on in the community; many often receive confidence about investing their time and energy into whatever initiative, private or non-profit, they care to pursue. The additional benefit of our policy of welcoming guests is that they, like Sidney, educate RPBG developers, property owners and other real estate professionals, reminding us that what we do substantially impacts the community where they, and people like them, live, work and raise their families.

Thank you Sidney Rockin, for enriching us.

Loyola Announces Plans to Build Two Multi-Million Dollar Buildings

Loyola University recently announced that it has begun construction on two multi-million dollar buildings – one a science building and the other a multi-storied student residence hall. The interview which follows, with Mr. Wayne Magdziarz, vice president of Capital Planning, provides further details about these two projects

Magdziarz: We are beginning construction of a new science building to be located on our Lake Shore campus at Kenmore and Sheridan. It is expected to be completed within the next eight to ten months and to be ready for occupancy for the spring semester of the 2004-2005 school year.

The Builder: What is the purpose of putting up this building now?

Magdziarz: The primary reason is that we have enjoyed increased enrollments for the past two years at the undergraduate level. Loyola is a very popular choice at the undergraduate level for students who want to study science. We have a very large number of students who come to us as freshmen, for example, who want to be pre-med students and to study biology. We want to enhance the teaching facilities for the sciences which is primarily the reason for this new building. And the building will not only be used to teach the sciences but for teaching education.

The Builder: How tall will the new science building be?

Magdziarz: It's a five-story building.

The Builder: What are some of the building's special features?

Magdziarz: It's going to have a green roof. We will have the capability of doing experiments in botany and things like that. And there will be a roof garden located on the southern edge of the building.

The Builder: What about the cost of the science building as well as the new student dormitory?

Magdziarz: The cost of the science building will be around \$40 million and the cost of the student dormitory will be about \$25 million.

The Builder: And how are these buildings being financed?

Magdziarz: We are financing the majority of the cost of the Science Building through gifts and the student dormitory will be financed primarily through bank loans.

The Builder: How about the student dormitory building? Can you tell us a little bit about that?

Magdziarz: About two years ago, we did a survey of our student residence halls and found that we had thirteen different residence halls throughout the Lake Shore campus. A good many of those halls were converted buildings that we purchased at one time or another. And this includes a number of four plus ones that were converted into student housing. And one of the things that our survey told us was that we needed to reduce, in the long-term, the number of resident halls throughout the campus. We actually enrolled last fall a record level of 1,955 freshmen. And this year our fall enrollment will be pretty much at that level and we will be fairly well tapped out as far as the number of resident halls. So we knew that we had to add some additional residence space for our students. And we also knew that we had to take some of the less desirable halls off-line. So in determining the site of the new residence hall, which is on the southwest corner of Sheridan and Winthrop, we decided to tear down an adjacent four-plus-one

building, which had been converted, and the nearby parking lot to allow a good size development site for our new student residence facility.

It's going to be seven stories high and will have 425 beds. It will be laid out hotel style, so that there will be two students per room with a private bath. And we also see this building as accommodating professional and academic conferences in the summer. And we will be expanding the food preparation and dining areas in Simpson Hall which is just across Sheridan Road so that it will be ready for the new residence hall this fall. There will be no food service in the new hall. It is scheduled for opening in the fall of 2005.

And we estimate that we will be able to cover the cost of the building through the fees that students will pay to live in the new residence hall.

We currently have 14,000 students, both undergraduate and graduate in our three campuses – the Lake Shore campus, the downtown campus and the Maywood medical campus.



Wayne Magdziarz, Vice President of Capital Planning, Loyola University, and RPBG Director, who recently announced plans to build a \$40 million Science building and a \$25 million student residence hall on the Lakeshore campus.

OUR MISSION

The Rogers Park Builders Group's mission is to encourage and support responsible residential and commercial property investment, development, and ownership in the Rogers Park community. Looking far beyond bricks and mortar, the RPBG initiates and supports collaboration on city and community actions to create a destination community.

- Terry Sacks, Writer/Editor
- Michael Wallis, Past President
- Paul Goguen, Founding President
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- Tina Wingers, Chairman-Fundraising
- Tim Flenty, Chairman-Planning & Development
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- Rich Aronson, Secretary
- Tom Heineman, Treasurer
- Marty Max, Vice President
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RPBG Executive Committee



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Please Send Information About Becoming a Member of the Rogers Park Builders Group

Name

Address

City/State/Zip

Phone (Daytime)

Phone (Evening)

E-mail Address

I'm Interested In

Comments

Mail to: Mary Jane Sacks, Administrative Director
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 Phone/Fax: (773)743-7453
 e-mail: rpbg@rogerspark.com
 Website: www.rpbg.org

ADDITIONAL NEWS...

Bally's Now Open in Gateway Center

The Gateway Center has taken another major step towards its successful completion this month when the well known Bally Fitness Center opened its new state-of-the art second floor facility at 7529 N. Clark. Within a week, the facility was buzzing with new members busily honoring New Year's resolutions, working the free weights and logging miles on the treadmills. Hours of operation are Monday through Friday, 5:30 a.m.to 10 p.m. and Saturday and Sunday from 8 a.m. to 6 p.m. The winter aerobics schedule is available at both the fitness center and DevCorp North. Bally Total Fitness is also hiring certified personal trainers. Contact Bally at (773)274-1686 for information.

Prime Investors' Michael Zaransky Named Chairman of Chicago Association of Realtors Commercial Division

Michael Zaransky, chief executive officer of Northbrook-based Prime Property Investors, Ltd., and a member of the Rogers Park Builders Group, has been appointed the 2004 chairman of the commercial division of the Chicago Association of Realtors as well as chairman of the commercial forum.

Zaransky, a graduate of Mather High School, and owner of a 20-unit rental apartment building at Fargo and Greenview, is assembling tracts of land near Devon and Western to build a new residential condominium.

Commercial Forum is Chicago's premier commercial real estate information exchange, providing educational opportunities, monthly programs and networking opportunities. The Forum, said Zaransky, allows commercial real estate professionals to deliver the highest level of service to their clients and to promote their listing information to commercial brokers around the country.