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## Buck scores \$89 million loan to build Michigan Avenue apartment tower

By: [Ryan Ori](#) February 28, 2014



A rendering of the planned project.

A venture of John Buck Co. landed an \$89 million construction loan to finance a 42-story apartment tower it plans to build just north of Millennium Park.

The Chicago-based developer plans a 402-unit apartment building at 200-214 N. Michigan Ave. that will include 24,900 square feet of retail on the bottom two floors, said Buck Senior Vice President Rich DeLeo. Construction of the tower will begin by early in the second quarter with completion expected by early 2016, he said.

The Buck venture obtained the loan on Feb. 24 from Cincinnati-based Fifth Third Bank, according to Cook County records. Buck's partners in the deal are Zug, Switzerland-based investment manager Partners Group A.G. and Grosse Pointe, Mich.-based Becker Ventures LLC, according to county records.

Buck is moving forward with the project amid an apartment development boom that will add as many as 6,000 units to the downtown market this year and next, according to Chicago-based Appraisal Research Counselors. Though some landlords worry about a potential glut, Mr. DeLeo thinks his project's location will give it an edge over the competition.

"What we like about our site is that it's the first rental building delivered on North Michigan Avenue in 30 years," he said.

A spokesman for Partners Group declined to comment, and an executive at Becker, which owns the Hard Rock Hotel Chicago at 230 N. Michigan Ave., did not return a call.

Mr. DeLeo said the project will cost about \$100 million, not including land acquisition costs. A Becker affiliate bought the existing six-story building on the property, which is being torn down, for \$20 million in 2006, according to Cook County records. In 2011, it contributed the property to a joint venture with Buck, receiving \$7.5 million, the records show.

Securing the loan was the last remaining step for the developers, who already have **city approval**. The four-year construction loan includes an option to extend the due date for one year, according to the mortgage.

Though the Buck venture has begun demolishing the existing building on the site, it is awaiting permits to begin construction of the high-rise, where studio, one- and two-bedroom units will average about 800 square feet, Mr. DeLeo said. Chicago-based BKL Architecture LLC designed the high-rise.

While it readies the apartment tower, Buck continues to pursue office tenants to kick off a tower of about 36 stories at **151 N. Franklin St.** The firm said it has raised \$145 million in equity, but the project still needs city approval.

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