

Appraisal Research Counselors

400 E Randolph Street, Suite 715
Chicago, Illinois 60601-7388

T: 312-565-0977
F: 312-565-3436

[Click here to view AppraisalResearch.com](http://AppraisalResearch.com)



Professional Service Since 1968

Appraisal Research Counselors®

June 03, 2014

Lincoln Park condo project slated to start

By David Lee Matthews



A rendering of the 100-unit condo building that Sandz plans at Webster Square in Lincoln Park.

Sandz Development Co. thinks the time is right to sell condominiums at the former Lincoln Park Hospital.

This summer a venture led by the Chicago-based developer will start marketing the final — and biggest — phase of the 600,000-square-foot Webster Square project at Lincoln and Webster avenues, aiming to capitalize on resurgent condo demand and lack of competition from other builders in the wealthy neighborhood.

Sandz already has converted two former hospital buildings into apartments and a grocery store. Now, they plan to convert a 12-story brick structure on the campus into about 100 condos. It would be the largest condo project conceived since the crash in Lincoln Park, a traditionally strong housing market where big sites rarely come available to developers.

“This is the natural progression,” said Sandz partner David Goldman. “It’s been a nice milestone for us and it’s got us feeling good about the overall program at Webster Square.”

The Sandz venture took control of the hospital site at 550 W. Webster Ave. **in 2009** and started leasing apartments there **this year** after a lengthy **zoning fight** with neighbors.

Though condo construction dried up after the crash, it has come back slowly, with developers rolling out **smaller and less risky low-rise projects** first. More recently, as the economy has improved and condo prices have bounced back, projects have become larger, taller and more numerous. In places like Lincoln Park, there are more buyers than sellers of new condos.

'SOME REALLY STRONG DEMAND'

“We’ve seen some really strong demand for new product in Lincoln Park because there has been a lack of that,” said Gail Lissner, vice-president of Appraisal Research Counselors, a local consulting firm. “It makes sense that we’re seeing the pace pick up and the size of the projects increase.”

Other projects in Lincoln Park include McCaffery Interests Inc.’s planned redevelopment of the **Children’s Memorial Hospital campus** a couple blocks north of Webster Square. The mixed-use development will include 760 residential units, including 60 condos. Another high-rise project nearby, Lincoln Park 2550, with 218 condos, began marketing its units before the crash.

Mr. Goldman said condo site work at Webster Square will begin by the end of June and that pre-construction sales will start “later this summer,” declining to specify when. Prices will range from just under \$500,000 for a 900-square-foot one-bedroom unit to more than \$2 million for a few four-bedroom penthouses measuring about 3,300 square feet, he said. Nearly every unit will have its own balcony, and some condos will feature terraces as large as 1,200 square feet, Mr. Goldman said. Chicago-based residential brokerage @properties is handling marketing.

The developer had planned as many as 120 condos at Webster Square but pared down the unit count amid potential buyers’ interest in combining units, Mr. Goldman said. **Mrs. Green’s Natural Market**, a boutique grocery store, opened last fall at Webster Square, and the development’s 75-unit apartment building is about 33 percent leased, he said.

The condo building will open for residents about 15 months after construction starts later this year, he said.

COMMENTS

Please read Chicago Real Estate Daily’s commenting policy

Post a new comment

WILLIAM M. (Logout)

Follow replies to my comments