

EVANSTON ROUNDTABLE

WE COVER WHAT MATTERS...EVANSTON

Tuesday, May 25, 2010

Skyline on Howard Street Under New Management

By Anna Sanders

Tuesday, May 25, 2010

A month ago, a partnership composed of Maryland-based Crossbeam Capital, LLC and Houston-headquartered Concierge Asset Management purchased the 17-story, 221-unit Skyline at Evanston apartment community at 415 Howard St. The new owners say they plan to change the fortunes of the building by increasing its occupancy through renovations and community outreach.

The Crossbeam/Concierge partnership acquires overlooked apartment properties in troubled neighborhoods with an eye to turning them around, Brad Blash, a principal and chief acquisitions officer told the *RoundTable*.

Mr. Blash added that both Crossbeam and Concierge share the belief “that you can make a difference in a community and a neighborhood.”

Crossbeam has raised \$150 million to invest in urban transit-oriented apartment projects around the country, Mr. Blash added. “We heard that the bank was in the process of foreclosing on the Howard Street Station/Skyline project and that it fit within [our] investment parameters,” Mr. Blash told the *RoundTable*. He also said the group felt the price paid for the development was “reasonable.” He declined to divulge the specific amount but said that with the \$2 million in renovations planned, Crossbeam would put “in total, more than \$30 million into the project.”

Ted Kerr, president of Concierge, said, “We had the chance to acquire a Class A high building in a university city where the original developer was known and respected.”

The building, now called Skyline At Evanston, was built by Bristol Chicago Development LLC. Reports indicate that the building cost about \$58 million and Skyline began leasing apartments in July of 2008, but little less than a year later, was hit with a \$38 million foreclosure action.

Mr. Blash and Barbara Moffitt, Concierge’s regional manager responsible for Skyline, said the building was 61 percent occupied before it was purchased by Crossbeam. Three weeks after the ownership change,



Many of the upper-story apartments at 415 Howard St. have a view of Lake Michigan.

occupancy has increased to 71 percent and 26 new leases have been added, Ms. Moffitt said.

Both Concierge and Crossbeam said they hope to have the building 92 percent occupied by early fall.

The new owners say they hope to improve occupancy by improving the building's appearance and functionality. They plan to rename the building "415" after the building's address, pending approval from the Secretary of State, and plan to renovate the building's lobby design, hall carpeting and resident facilities. They also intend to include a hospitality room, business center, and fitness center. Ms. Moffitt said the renovations are meant to create a more welcoming atmosphere than the current subdued décor and slate-gray color scheme. She added that she believes such aspects of the previous owners' design made the apartments feel "like an office building."

In addition to the redecoration, the new owners explained they hope to improve the functionality of the building as well. They say they plan to put a microwave in every unit and update the HVAC system, which will reduce the building's energy costs.

Together with these changes, the owners said, they will also conduct outreach to the surrounding community. Local property manager for the building Dana Carroll, is charged with promoting the project through community marketing and deals with local businesses. The new owners say they hope to contribute to the revitalization of the Howard Street area by encouraging the development and success of surrounding stores near the Howard Street CTA station.

"Our plan is to reach out to the community," Ms. Carroll said.

Ms. Moffitt said Skyline rents are competitive. Studios start at \$1,000 per month; one bedrooms start at \$1100 and two bedroom apartment homes are \$1500. Coupled with the building's strategic location across from the el station and views, she believes Skyline will be successful.

"The City of Evanston has been incredibly welcoming and helpful, a real civic partner. We are encouraged and excited about being part of the community," she added.

Ann Rainey, alderman of the Eighth Ward where the building is located, did not appear positive about the change in ownership.

Community Development Director Lehman Walker, however, said that the City as a whole was "very happy" with the new owners.

"The City staff are really supportive," he said.

Related Links:

">Content © 2011

">Software © 1998-2011 **Iup! Software**, All Rights Reserved