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Loft offices planned west of Fulton Market

By [Ryan Ori](#)



Photo by Partners by Design

This rendering shows the new building Dayton Street Partners plans to build onto the existing building at 1500 W. Carroll, shown at right.

A Chicago developer plans to create 70,000 square feet of loft office space on the Near West Side, believing it can capture tenants priced out of Fulton Market District a few blocks to the east.

Dayton Street Partners expects to begin converting a long-vacant five-story building at 1500 W. Carroll Ave. into 40,000 square feet of loft-style offices within the next month, Principal Howard Wedren said.

The firm also plans to build a two-story, 30,000-square-foot office building onto the west side of the existing structure. That building will likely be a build-to-suit for one or two tenants, Wedren said.



Photo by Partners by Design

A rendering showing the renovated 1500 W. Carroll.

The property is about two blocks west of Ogden Avenue, viewed by many as the western boundary of the rapidly emerging Fulton Market office submarket, where Google has its Midwest headquarters and McDonald's recently signed a lease to move its global headquarters from Oak Brook.

"A lot of tenants are priced out," Wedren said. "We're pursuing the tenants that can't afford or don't want to pay the asking rents east of us."

A few blocks west, Dayton Street already has converted a two-story loft building at 2101 W. Carroll to offices and sold it to HBK Engineering. At 2137 W. Walnut St., Dayton Street is wrapping up the conversion of a warehouse to 40,000 square feet of office and showroom space, and is negotiating letters of intent with two tenants to fill all the space, Wedren said.

"Activity is strong (west of Ogden), based on the properties on Walnut and Carroll," Wedren said. "We're bullish on this submarket."

Dayton Street is asking for mid-\$20s gross rent per square foot in the existing building and \$30 gross in the new structure, a 30- to 40-percent discount over similar space east of Ogden, Wedren said.

The building at 1500 W. Carroll was completed in 1889 and was once used by companies that included Chicago Bicycle, Chicago Spring Butt and Trenton Wire Mattress, but it has been vacant for

about 15 years, Wedren said.

Dayton Street bought the property from a trust last month for \$4 million and plans to spend nearly \$8 million combined on renovation and new construction, Wedren said.

Each building will have a roof deck, he said. Other amenities will include on-site car parking and a bike garage.

A Cushman & Wakefield team of brokers led by Andrea Saewitz has the leasing assignment.